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NEWS SUMMARY

GENERAL

Hijacks close Ulster roads

...ls throughout Northern ...and were closed by a spate ...ijackings by the Provisional ...

...was thought that many of the ...cles—mostly lorries and ...s seized at gunpoint—had ...n booby-trapped and the ...y said that it would wait for ...light before attempting to ...r them.

...ost of the blocked roads were ...border areas, but the main ... between Belfast and Londerry was closed by two ...es, a lorry and a van. The ...ration appeared to be ...gned to show the numerical ...ngth of the IRA. One lorry ...er said that 20 to 30 men had ...hed into his vehicle after he ... been ordered out.

...den rejects ...mbo jet

Dutch jumbo jet hijacked ...ut for Tokyo returned to ...al late last night after a ...nd trip of seven hours to ...n, where it was discouraged ...n landing. It had the three ...b hijackers and 11 airline ... abroad. The 247 passengers ... eight hostesses had been ...wed to leave at Malta earlier ...he day.

...eece frees ...udents

...e new army-backed Greek ...ime started to free about 400 ...dents and young workers ...ained as political prisoners. It ... announced that Prime ...ster Adamantios Androutso... ...s would broadcast to-night ...how a "sound democratic ...em" would be established. ... 7

...ench radio ban ...arts new row

...hour-long interview on ...ch radio with M. Arthur ...e, former head of ORTF, ...cancelled minutes before it ... due to start and replaced ...usic. M. Conte was sacked ...resident Pompidou a month ...fter a row over the Govern...'s use of the broadcasting ...e. Page 6

...mbs disrupt ...ss U.K. tour

...r carrying Miss United ...lom (Miss Veronica Cross) ... tour of Army posts in ...onderry made a U-turn ... from two suspected car ...s in Asylum Road just ...e one of the bombs blew ...here had been only a two-... warning about the ...tion.

...bulance strike

... of London's 1,900 ...ancemen were on strike ... pay demands, but ...ency cover was provided ...tation officers. Greater ...n Council said it took ... ten minutes instead of ...for an ambulance to answer

... on charge

...porter John Helm, aged ...s remanded at Douglas, ... Man, accused of starting ... at the Palace Hotel on ...s seafront—where leading ... in the Summerland fire ... are staying.

... recognised

...eads of State meeting in ... recognised the Palestine ...tion Organisation as the ...gal representative of the ...nian people. Page 8

...fly . . .

...ette Sibley and Anthony ..., principals in the Royal ... received the OBE from ...een.

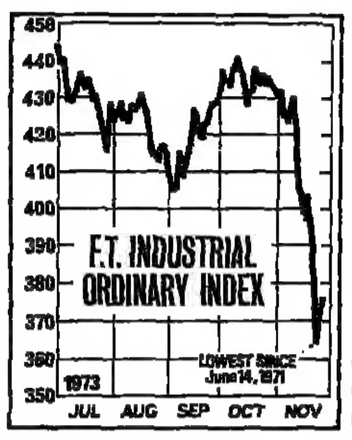
...s had seven inches of ...

...ment had a majority of ...5-248) at the end of the ... on Common Market ... Page 12.

BUSINESS

Equities up 12.5: Dow loses 7.22

● EQUITIES eased initially on fears that Monday's sharp setbacks on Wall Street and in London had further to go, but leading stocks rallied to leave the FT Industrial Ordinary index 4.2 up at 3 p.m. Optimistic interpretations of the Saudi Oil Minister's remarks on supplies to Western Europe provided further encouragement and, though prices closed below the day's best, the index still ended with a net 12.5 gain at 376.4.



● GILTS closed on a slightly more confident note, with gains extending to ⅜ after early losses to ⅛.

● GOLD gained $2.25 to $92.50.

● POUND had an erratic day. It fell 120 points against the dollar—and even more sharply against European currencies—but then more than recovered to close at $2.3575 ($2.3440). Sterling's weighted depreciation closed at 17.72 per cent. (17.96). Back Page

● WALL STREET closed 7.22 down at 817.73.

● U.S. FEDERAL Deposit Insurance Corporation has publicly assured National Westminster Bank and other European creditors of the failed U.S. National Bank of San Diego that it would be prepared to compensate them under certain circumstances. Back Page

● CEGB is to start importing coal again after a break of more than six months. Back Page

● NEW UPSURGE on London metal markets took tin and zinc prices to all-time peaks and wiped out Monday's losses in copper and lead. Page 25

● ICI has had to declare force majeure on supplies of ammonia because of difficulties with one its major producing plants. Page 25

● NIXON Administration is urging Europe and Japan to intervene to keep the dollar competitively valued on world currency markets and so preserve the growing U.S. trade surplus. Page 5

● MR. WILLIAM DALE, an American, has been appointed to succeed Mr. Frank Southard as deputy managing director of the IMF on March 1, 1974. He has served as U.S. executive director of the fund since November 1.

● UNION negotiators are to put a 12.5 per cent. pay offer worth £102m. to more than a million local government manual workers over the next few weeks. Page 19

● HASTINGS AND THANET building society is offering regular investors a 9 per cent. net return on their money (12.85 per cent. gross) under a new savings scheme—1.5 per cent. more than the rate currently offered on ordinary deposits. Page 11

● GEORGE BASSETT Holdings increased its pre-tax profits from £1.19m. to £1.24m. in the 28 weeks to October 12. Page 21 and Lex

...F PRICE CHANGES

(... in pence unless otherwise indicated.)

RISES

...5½pc 1978-80	£71½	+ ½
...Cement	167	+ 6
...	234	+ 16
...	169	+ 8
...m	147	+ 5
...Wilby	122	+ 12
...Shideley	336	+ 13
...	220	+ 6
...	187	+ 8
...& Spencer	238	+ 6
...Dfd.	130	+ 9
...A'	385	+ 15
...Intl	259	+ 11
...	68	+ 5
...Woodrow	250	+ 19
...vsts.	334	+ 19
...d.	97	+ 7
...	117	+ 7
Burmah Oil	396	+ 13
Shell Transport	223	+ 9
Anglo Amer. Cpn.	275	+ 10
Durban Deep	480	+ 20
Roan Cons. Mines	310	+ 15

FALLS

Abercom Invsts.	273	− 14
Bemrose	48	− 9
Foster (J.)	52	− 7
House of Fraser	116	− 12
Intnl. Pacific Secs.	50	− 10
Intnl. Paint	138	− 12
Intnl. Timber	116	− 9
Lion Intnl.	128	− 10
Liverpool Post	95	− 18
Ldn. & County Secs.	150	− 7½
Norwest	100	− 10
Record Ridgway	40	− 6
Swan Hunter	123	− 13
Guthrie	333	− 7
Cons. Murchison	350	− 30
Pot. Plats.	134	− 11
Transvaal Cons.	450	− 25

(FT stock indices and FT-Actuaries summary Page 31.)

As resentment grows in Europe to oil cutbacks . . .

Saudi Arabia offers hope for easing effect of embargo

BY ADRIAN HAMILTON

Amidst signs of growing European resentment of the Arab oil cutbacks, Sheikh Ahmed Zaki Yamani, Saudi Arabian Oil Minister, yesterday offered some hope of an easing of the effects on Europe of the Dutch embargo.

Speaking in Arabic at a Press conference in Paris, he was reported as saying that Western European countries like Germany, Belgium and the U.K. which were affected by the restriction against Holland could make up lost quantities "by lifting any amount of oil directly from Saudi Arabia and Algeria from to-day."

He also confirmed that Britain was exempted from the oil cut and that Saudi Arabia was "ready to make sure the British people get exactly the amount of oil they received prior to September, 1973. If there are any difficulties we will overcome them."

The statement, which came as part of a conference notably conciliatory in tone, was enough to bring sharp improvements in the foreign exchange and the Stock Market.

Oil and Government circles in London, however, were a great deal more cautious about reading any real hope of a rapid improvement into the statement, while Sheikh Yamani himself, an adept user of the headlines, refused to amplify the comments.

While declaring that he was "extremely sorry for the inconvenience caused in Europe by the Arab oil cut," he emphasised that the oil embargo on Rotterdam remained and that the producers would take action if it was broken.

He also made clear that the offer of help for other countries suffering from the indirect effects of the Dutch embargo would not enable them to make up all their lost supplies, but only those lost because of the squeeze on Rotterdam.

Rotterdam port acts as a major import and refining centre for much of European oil. Of the 2.5m-3m. barrels a day of oil shipped into the port (over two-thirds of it from Arab producers), as much as 1.5m.-2m. is re-exported either as crude or as refined products.

The cessation of Arab oil shipments, therefore, has undoubtedly had a serious effect on supplies of crude and products to Germany and Belgium as well as products to the Benelux countries, Germany, Scandinavia and Britain.

Middle East news, Page 8; oil situation in Britain, Page 15
French evasive on Brandt plea, Page 6

But the essential, and still uncertain point, about Sheikh Yamani's statement is whether his offer of assistance to these other countries might mean a resumption of some additional Saudi Arabian and Algerian oil production.

At the last meeting of Arab oil producers in Kuwait earlier this month, it was decided that all countries involved would cut production by 25 per cent. against September levels "inclusive of embargoes" against Holland and the U.S.

If Saudi Arabia, followed by other countries, makes available all the indirect supplies lost because of the Rotterdam embargo, then the effect on Europe could be very substantial indeed—adding a potential 1m.-1.5m. barrels a day to oil imports and reducing the shortfall to about 2m. barrels a day or around 13 per cent. of total supplies.

This would entail total Arab production cutbacks being reduced to 20 per cent. or less, on the other hand. If the producers do not plan to do this—as many still feel is more likely—then the effect of the offer will be to maintain the total shortfall to world oil trade at its current level and merely redistribute the direct impact of the cuts.

This might favour countries like Germany and Britain, but it would be at the expense of causing greater shortages for others like Italy and Japan.

Even in the former case, the effectiveness of a resumption in some oil flows would be partly offset by the difficulties of finding alternative mammoth tanker ports to Rotterdam and alternative refinery and pipeline distribution capacity to those in Holland.

In the latter case, the obvious danger of Sheikh Yamani's statement could well be to further divide the major consuming countries from each other just at a time when there are some tentative signs that they might be drawing closer together.

On the basic political prob-

Continued on back page

Brandt and Pompidou urge EEC joint body

● President Pompidou and Chancellor Willy Brandt have agreed that the EEC should convene an energy council to establish West European unity in the face of mounting energy problems.

● Post Office warned that the motoring public could face queues for petrol ration books. Hours may be extended to cope with the 16m. people involved.

● Thousands of Christmas holiday arrangements may be upset by the outcome of talks which start to-day between tour operators and airlines over flights cutbacks in the Christmas rush period.

● As many as 5,000 garages could be forced out of business this winter because of the system of allocation being adopted by oil companies, according to the Petroleum Retailers' Association.

● The Government is shelving anti-pollution measures which would have reduced the lead content in petrol. The move could save up to 300,000 tons of oil a year.

● International shipping companies are ordering fleets to reduce speeds in order to conserve fuel.

● Leaders of Britain's car rental business warned that rationing could put operators out of business unless special arrangements are made for hired cars.

● Ten per cent. of Green Shield's 10,000 garage customers have reduced the number of trading stamps they give away with each gallon of petrol as a result of the cutback in petrol deliveries.

● President of the Common Market's Council of Ministers, Mr. Ivar Noergaard, last night warned Arab countries that they could face difficulties in securing future trade concessions from EEC nations.

● Italy has drawn up detailed plans to preserve fuel supplies. A ban on Sunday driving begins this week-end.

● Danish Government has ordered a 25 per cent. cut in oil deliveries to industry and a 20 per cent. reduction in deliveries to the transport sector.

● Sweden will start petrol rationing on January 7. Supplies of oil for home heating will be cut by 25 per cent. to conserve reserves.

Talks fail to break power ban

BY ROY ROGERS AND CHRISTOPHER LORENZ

THERE were no immediate settlement prospects in the power engineers' pay dispute following a 4½-hour meeting at the Pay Board yesterday. The talks were held against a background of national voltage reductions and risks of power cuts.

The power engineers ban on "out of hours work" looks like continuing into the New Year, although Mr. John Lyons, general secretary of the Electrical Power Engineers Association, repeated last night that the action might be suspended over Christmas.

During yesterday's meeting—which centred on exploring the scope for allowing some of a disputed stand-by payments agreement to be paid outside Stage Three limitations, possibly by using the Pay Board's report on pay relativities due out next month—electricity voltage was reduced by 3 per cent. nationally and 6 per cent. in the South-East, where cuts were narrowly averted.

Last night the Central Electricity Generating Board warned of a similar "serious" situation to-day, with renewed risks of voltage reductions and power cuts, especially during this evening's peak period for demand—between 4.30 p.m. and 6.30 p.m. People are asked to use electricity "as sparingly as possible" during these peak hours.

Mr. Lyons said after the meeting with the Pay Board, in which the EPEA was joined by the Electricity Council, that the discussion had been useful but had not moved them any nearer a settlement.

The EPEA is disappointed that a year-old settlement giving improved stand-by payments to 18,000 EPEA members, and held up by Government wages legislation, had not been allowed as an anomaly under Stage Three on the ground that pay differentials over the industry's manual workers have been eroded. This same theme forms the basis of their claim for inclusion in the Pay Board's relativities study.

The CEGB said last night that the good response of consumers to its earlier appeals to economise on electricity had made cuts unnecessary. Supplies had been precarious because the cold weather was creating the heaviest demands so far this winter, and because the power engineers' industrial action had cut generating capacity at 12 power stations by a total of over 2,000MW.

Yesterday's loss of capacity as a result of the engineers' action was less severe than on several days last week, when it approached 3,000MW on some shifts. There is some doubt whether the Government's restrictions on heating and lighting are still offsetting the effects of the dispute.

Ten days ago they were reducing demand by about 1,500MW in the evening peaks, almost exactly counterbalancing the effect of the dispute.

On the other industrial dispute threatening power supplies, the Prime Minister will see miners' leaders at 10, Downing Street this morning, to discuss the overtime ban which is cutting coal production by an average of about 25 per cent.

He is expected to impress upon them that they can expect no further money and that they should put the National Coal Board's £45m. 13½ per cent. offer to a ballot of members.

Directly after the Downing Street meeting the National Union of Mineworkers' national executive will meet to consider the situation. While moderates on the executive may well propose a ballot, it seems unlikely that this will win the support of the majority of the executive unless something new arises from to-day's meeting with the Prime Minister.

The vast majority of the over 1,000 miners who were sent home without pay on Monday while safety work, normally carried out at week-ends on overtime, was undertaken, were back at work yesterday.

Monday's production loss was calculated by the NCB at just over 40 per cent.—"fractionally above what we sustained the previous Monday." The overall production loss for the week is expected to be similar to the 25 per cent. lost last week.

One troubled pit yesterday was Betteshanger, in Kent, where some 600 men went home because two winding engineers were absent and there was no one to stand in for them.

Coal imports, Back Page

Heath rejects Wilson plan to end miners' dispute

BY PHILIP RAWSTORNE

THE PRIME MINISTER last night firmly rejected a proposal from Mr. Harold Wilson aimed at settling the miners' dispute. Mr. Heath said that the proposal would result in doubling the £44m. offer to the miners.

The Opposition Leader had suggested that some payment should be made to miners for the time spent on colliery premises before the start and after the end of shifts.

Mr. Heath said that the possibility of such payments had arisen in negotiations between the NCB and the miners' union.

"It does not form part of the NUM's formal pay claim," he said. "I am advised that a change of this kind at overtime rates would add some £45m. to £50m. to the Coal Board's pay bill and thus double the current £44m. offer."

'No change'

Mr. Heath said that this additional payment would not be acompanied by any change in working conditions.

He added: "I do not believe that an improvement of this kind could be accommodated within the Pay Code on top of the offer already made.

"The NUM are free to negotiate with the Coal Board on any aspect of their pay arrangements, including any re-arrangement of the present offer, within the Pay Code."

Mr. Heath added: "But it can hardly be said that the settlement already available to miners is other than fair and very advantageous in relation to what Stage Three will allow generally. It affords a basis on which the dispute ought to be able to be settled without the imposition of further hardship and difficulty on industry, on homes, and indeed, on the miners themselves."

Mr. Wilson said last night that Mr. Heath's reply was an "equivocation."

"He rejects my proposal for taking into account the unpaid overtime done by miners and providing a degree of compensation. He rejects it because he says it would add £40m. to £50m. to the Coal Board pay bill and thus double the £40m. offer.

"This is equivocating. He must know that in my letter to him I did not suggest the total amount should be subject to payment.

"I said 'what period of time should be allowed for payment is a matter for negotiation.' In my speech to the trade union group of MPs I said 'the Coal Board should be authorised to pay the miners for all or part of their essential overtime.'"

Mr. Wilson added that if Mr. Heath persisted in this attitude it would be clear that he was "playing politics" with the miners' dispute instead of considering in a statesmanlike manner a means of reaching agreement.

John Elliott, Labour Editor, writes: It is thought by labour law experts that the miners are breaching their contracts of employment, and therefore acting unlawfully, by staging their overtime ban.

This is because, under the mining industry's five-day-week shiftworking agreement signed in 1947 when the National Coal Board was set up, the miners are obliged to work overtime. Until the present industrial action started 14 per cent. of all hours worked were overtime, with 9 per cent. taken up making pits safe for working and 5 per cent. doing repairs and maintenance work.

Support for the contention that not to do such overtime constitutes a breach of employment contracts came 18 months ago when the railwaymen's industrial action was taken to the National Industrial Relations Court and Court of Appeal.

No signs

But the Government has shown no signs of wanting serious labour troubles to end up in the courts since its NIRC railwaymen's cases failed to end the industry's pay dispute and since the dockers' imprisonment later last year.

It could, in fact, almost certainly obtain a compulsory ballot order from the NIRC on the miners—who have not been directly consulted about the action they are taking and who are endangering the economy.

But it is clear that neither the Government nor the NCB, at this stage at least, is interested in compounding their problems by taking the miners to court.

Monopolies Commission given 5 months to probe Boots bid

BY NICHOLAS OWEN

THE MONOPOLIES Commission was yesterday given five months to hold an inquiry into Boots' planned bid for the House of Fraser department stores group, currently worth £200m.

Although it appeared last night that Boots would still push ahead with the offer, there was resentment among some of the banking advisers concerned at the length of time allowed the Commission.

Early in 1972 it was given five months to study rival bids for Glaxo, from Boots and Beecham, eventually finding that neither should be allowed to proceed.

The decision on Boots' latest takeover plan, reached three weeks after the agreed offer was announced, was given yesterday by Sir Geoffrey Howe, Minister for Trade and Consumer Affairs.

The main point of the investigation will probably be to test the claims for increased efficiency put forward already to the new Office of Fair Trading by the principal executives involved.

This represents a new area for study, with the Commission trying to establish whether one "wing" of the merged group would tend to be a drag on the performance of the other. Sir Geoffrey was probably mindful, too, that clearance of the Boots-Fraser scheme would encourage similar takeovers.

On the day after the bid's announcement, the Minister had been urged by MPs to consider a Monopolies Commission inquiry.

Boots, which will discuss the situation with advisers Schroder Wagg to-day, was "disappointed and slightly surprised" at the Commission's timetable.

A spokesman for S. G. Warburg, acting for Fraser, maintained that "the benefits of the merger are in no way affected or altered." Warburgs will confer with Schroder Wagg on the procedures regarding shareholders' documents and so forth during the five-month investigation.

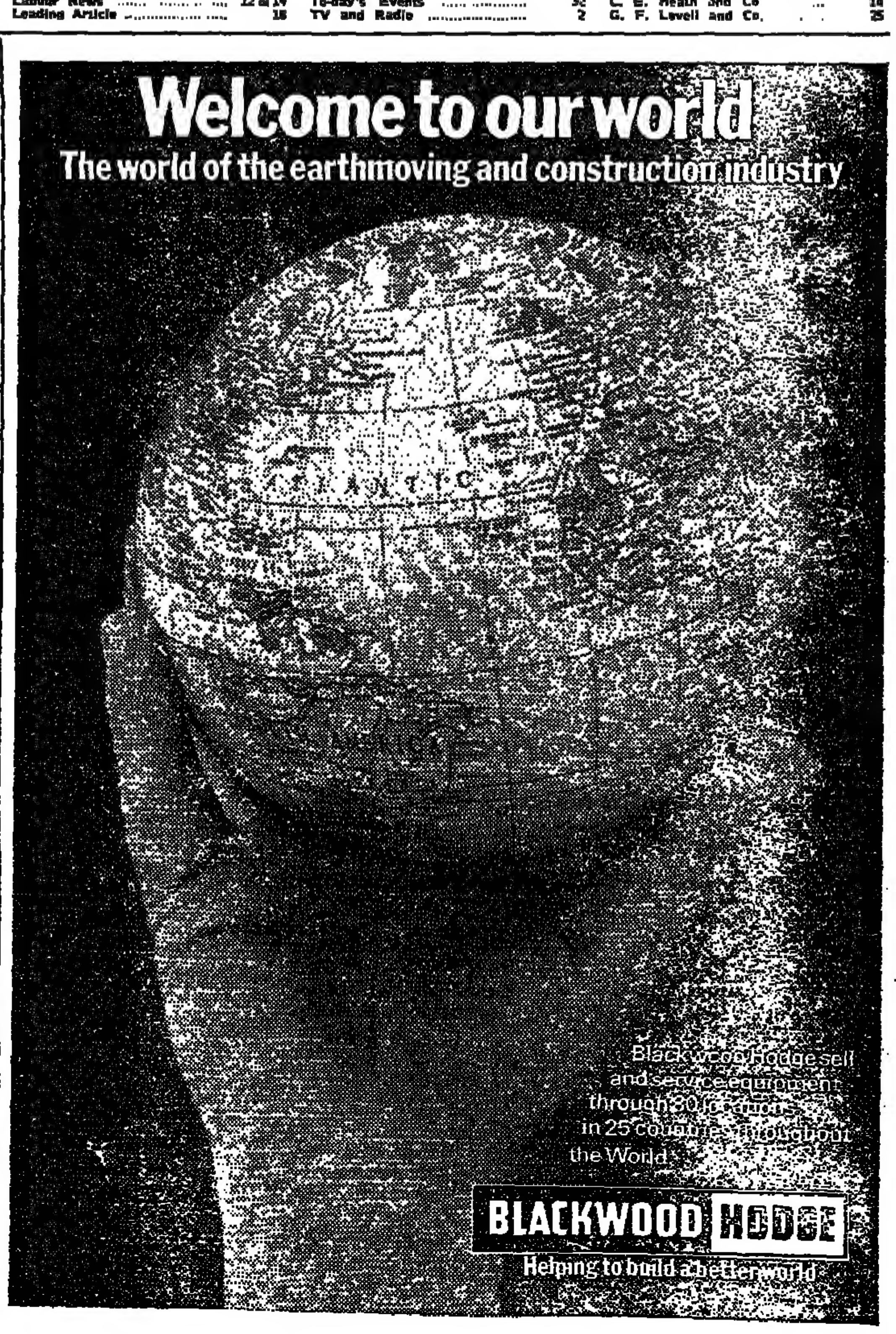
In the stock market, hopes that Boots will not get the Fraser bid through pushed its shares up 16p to 234p. Fraser shares were 12p lower at 116p, some 50p below the bid level.

Editorial Comment, Page 18

£ in New York

—	November 27	Previous
Spot	$2.3525-3545	$2.3440-3460
1 month	1.00-0.80 dis	0.92-0.28 dis
3 months	3.30-3.10 dis	3.42-3.38 dis
12 months	12.75-12.50 dis	12.95-12.85 dis

ON OTHER PAGES



Letters to the Editor

BRACKEN HOUSE, CANNON STREET, LONDON, EC4P 4BY

Architectural standards · Companies House · UN seats

Sir,—At the recent Royal Institute of Chartered Surveyors dinner, a number of quantity surveyors agreed with me that they could emerge over the next ten years as leaders of the professional team, particularly when involved in new commercial buildings.

During the past ten years the revised educational system for architects seems to produce only those capable of the inception work. As a result, the architectural technician now needs to be employed directly by the quantity surveyor, so that detailing of new buildings is co-ordinated in the same office responsible for the budget and the majority of the negotiations with the contractor, etc.

Obviously there will be the exceptions, and the dissidents, but some form of rationalisation is required other than the "Professional Consortium Package Deal," which has restricted the client in the past. The alternative would seem to be an eventual increase in the number of consultants involved in pre-tender work.

Michael J. Goodwin,
joint managing director,
Charterwall Properties,
17, Nottingham Street,
W.1.

Companies House

Sir,—HM Registrar of Companies, Mr. R. W. Westley, certainly made some acceptable points in his answer (November 23) to Mr. Armstrong's letter about the transfer of Companies House to Cardiff.

It would appear, however, that many of our members do not constitute the "great majority of users" as to make a full inquiry for credit sanction a three-year search would often be inadequate. The availability of "take away microfilm" is welcomed but this is apparently only for new information as the photographing of all documents stored in Companies House (not to mention the dead stuff at Feltham) would be a mammoth task for a large team of rapid photographers.

Is it not significant that only one company registration agent has approved the move? As for the labour question why should Wales be considered as more suitable than London for the escalating recruitment of staff? It must be borne in mind that if registration agents, insolvency specialists, mercantile agents, finance houses and trade protection societies have to employ local staff to effect searches this personnel has also got to be there, subject, of course, to migratory moves to Wales from other parts of the country.

The subject of premises might be an indication of awareness at last in Governmental circles that office and technical accommodation has a habit of becoming quickly inadequate. An example of this is the telephone exchanges; almost as soon as a new one is built and occupied it is overladened with cables—no one ever seems to foresee this. Is the case of the Cardiff building any different?

Walter D. Cattermole.
Public Relations Officer,
The Institute of Credit Management,
3, Berners Street, W.1.

Who needs records?

Sir,—I think there are just two points which need to be taken up in Mr. G. G. Baker's letter (November 22) on the proposed move of Companies House to Cardiff.

First it is not safe "to presume that substantial cost savings will be achieved" in any matter in which Government is involved.

Secondly, it is to be doubted whether anybody regards microfilm as a "valued management tool."

Before the move does take place however it might be as well if somebody answers the following question. For whom are the services of the Companies Registration Office provided—Government or people?

D. A. Trigwell.
57 Murray Road,
Northwood,
Middlesex.

Looking them up in Germany

Sir,—I would like to take the opportunity of questioning Mr. Potts' (November 22) rather sweeping statements on the centralisation of business records and in particular to the proposed move of Companies House to Cardiff.

Mr. Potts is indeed fortunate to be acquainted with so many well-satisfied American and German businessmen, but I would like to ask your correspondent just how many company searches he has undertaken in these countries. The brutal truth of the matter is, that England (and to a lesser extent France) is the only one of the EEC countries that has a central companies records office with all the details of each and every company's history at its fingertips. The task of obtaining a search on a German company without foreknowledge of where the company was formed and its registered number is difficult to say the very least.

Your correspondent then mentions Chicago as being the hub of American commerce without detriment to the remainder of the U.S. This again is open to argument due to the numerous differences in inter-state laws and trading agreements, which makes each state a separate entity.

Consequently the comparison of both legal systems with our own does not bear relevance with the argument in question, namely that of moving our centralised records office not just away from London, but out of the country completely.

To conclude I trust that facetiousness will not be assumed due to the fact that the undersigned does reside within a 40 minute journey from London.

I. G. Hurst.
Temple Chambers,
Temple Avenue, E.C.4.

Miners' wages

Sir,—No one doubts we now need every ton of coal we can lay our hands on. The coal industry, which is already short of 7,000 men, will get the extra miners needed only if wages are allowed to rise to a level which is sufficiently attractive.

Noel Paulley.
Corfu, Cardiff Road,
Creigiau, Cardiff.

Treason and Parliament

Sir,—May I remind Mr. Gormley and those who apparently have it in mind to intimidate Parliament by industrial action that they may well find themselves open to a charge of constructive treason, being any act that may be interpreted as equivalent to actual treason by leading naturally to it: treason itself being defined under the 1848 Statute as including the crime of desiring, amongst other objectives, to intimidate Parliament.

Larry Trimby.
Little Boarsland,
74, High Street,
Lindfield, Sussex.

Go to work on a moped

Sir,—It might interest your car-commuter readers to know that petrol savings of at least 75 per cent. can be made immediately in the area of urban personal transport by switching from four wheels to two. The "town-car" is already here in the form of the moped and motorcycle. Besides using minimal amounts of fuel compared with the average car, a light motorcycle is not subject to time-consuming traffic jams or money-wasting parking fines.

Lord Ashcombe's recent well-publicised flight from Pisa to London cost his company enough fuel to carry 1,500 commoners 100 miles, or one Lord 180,000 miles. More relevant to the average 10 mile a day commuter is the fact that this fuel could have taken him to work and back on a moped for the next 70 years!

R. M. H. Minster,
Managing Director,
Rent-a-Scooter Ltd.,
71 Baker Street, W.1.

Rotate Europe's UN seats

Sir,—It is clearly imperative that Saudi Arabia should have a permanent seat on the United Nations Security Council.

Similar consideration might also be given to Canada whose Athabasca tar-sands hold crude oil reserves of a size equal to those of Saudi Arabia.

The simultaneous presence of Britain and France, perhaps logical in 1948, is now quite inexcusable. One EEC seat should be quite enough and should be given to West Germany, France, Britain and Italy in rotation.

M. Swiss,
Europetrin Surveys,
34, Meadow Way,
Wembley, Middlesex.

No benefit from Nader

Sir,—David Fishlock's article of November 22 implied that Mr. Ralph Nader and his associates may come to England to acquaint us with the dangers of adopting American light-water reactors for the next phase of the U.K. nuclear programme.

I really do feel that this country would benefit if Mr. Nader and his colleagues did not make the journey.

The decisions which have to be taken on the choice of system for the next round of nuclear stations to be built in this country are complex and, possibly, emotive enough without the issues being further confused by Mr. Nader's intervention.

We are quite capable of deciding for ourselves whether or not the risks associated with adopting American reactors for the next stage of this country's nuclear programme are acceptable and I feel that, rather than wasting time and money countering Mr. Nader's somewhat questionable claims, our interests would be better served if, because of the energy crisis, the strategic implications of delaying the start of the next phase of our thermal reactor programme could be explained more clearly to the general public.

This might at least allow people to react properly to Mr. Nader's views, assuming, of course, that the Home Secretary is not able to find a way of preventing him coming anyway.

D. C. Emerson.
23, St. Nicholas Mount,
Hemel Hempstead,
Herts.

Parking an elephant

Sir, Lest readers should find the prospects envisaged by Mr. Whalley in his letter published on November 23 too depressing, may I point out that he is overly restrictive in his survey of the draught resources available when he mentions only the horse, the ox and the donkey?

While they may be of a more exotic nature, it should not be overlooked that the reindeer, the dog, the yak, the camel and its South American relatives, the elephant and even, I believe, the ostrich also perform the task of vehicular traction in various parts of the world: the list is not necessarily exhaustive, but will serve to show the wide variety of choice available.

A reasonable mixture of the animals mentioned would undoubtedly cause the streets of the 21st century to be full of visual interest, but one hesitates to imagine the problems of parking and pollution which the use of the elephant might bring.

J. D. Rickett.
46 Meadway Court,
Meadway, N.W.

Bananas and cream

Sir,—In the current Middle East crisis from time to time one has heard and read the term that this country is a "Banana Republic" in relation to the way America apparently treated us as to the recent world "military alert" over the aforesaid events. This, of course, can be constructed in many ways as a very offensive term be it used to the actual banana exporting countries of Central and South America or to ourselves or to, indeed, any foreign power. The term really hit me when applied to this country during the last few weeks.

I must say I like bananas, especially with Devonshire cream, even though I do not know a lot about such countries who actually send them abroad. Recently I noticed that the Government of Panama was one of the countries asked to provide a military force for the United Nations peace forces in the Middle East war zone. So it would seem that "even" a Banana Republic has a contribution to give to the cause of world peace.

Is it not time that such words as "Banana Republics" as a form of international terminology used in a displeasing way was outlawed? A country which I do know something about—Costa Rica—does indeed export bananas in a big way, and is quite a progressive republic. In fact, I am not so sure the world has much to learn from this country—in 1948 their army was abolished, which is worth thinking about. . .

John Waterfield.
278, Taunton Avenue,
Whitleigh, Plymouth, Devon.

Don't tax overtime

Sir,—I am sure that the people of this country are getting fed up with hearing about the miners' overtime ban. The point I would like to put to their leaders is why not ask that overtime worked should not be taxed?

This would be a form of a pay increase and they could get back to working overtime. When all is said and done, overtime is voluntary and no one can be forced to work more than 40 hours a week.

Indeed if we carry this idea one stage further and introduce "non-taxable" overtime, over a basic 40 hour week, throughout industry as a whole, one can just imagine the benefits this would have on the country as a whole, for example increased productivity, sustained growth, and most important the willingness to work longer hours for the benefit of all, including the Government and its Stage Three.

R. Spick.
73 Brunswick Drive,
Wollaton Road, Nottingham.

Guards for sale cheap

Sir,—In his letter of November 22, Mr. Horsnail only touches on the problem of U.K. exporters selling overseas — in Europe specially—at very low prices.

We sell football shinguards to many countries of the EEC. Small business compared to Mr. Horsnail's forged steel to be sure but none the less useful and a growing activity.

Our product is in many ways unique but we still face a highly competitive market from the price aspect. We have to sell at a pretty low fob price in sterling to expand our market.

Does the competition come from Sweden, or Germany? No. Does it come from Holland or France? No. Believe it or not we are up against other British manufacturers and the price fight is centred on our own export doorway. Denmark would, for example, pay much more for our guards than is the case at the moment if it were not for the fact that other U.K. producers were cutting their prices to the minimum. We could, for example, get at least 10 per cent. sterling more for our product were we not fighting our own kith and kin.

I have not yet decided upon the answer to this problem but like all difficulties there must be a way round it to the benefit of our company, our competitors and the British economy as a whole.

Possibly your readers have some ideas on this vital matter.

David Petri,
Chief Executive,
David Petri,
Heathfield, Sussex.

Air terminal facilities

Sir,—Has British Airways a lesser responsibility to consumers than any other business? Having decided to withdraw check-in facilities at West London air terminal it justified itself against persistent questions by Lady Burton in the Lords with a number of misleading figures.

In your report of November 22 it is quoted as arguing that the number of people using these facilities has been declining. Most businessmen would not be surprised to see sales slump if they stopped advertising. In fact, in spite of British Airways not advertising these facilities the numbers using them remained pretty constant until they were withdrawn from foreign airlines last month.

An independent users' committee headed by the chairman of the Civil Airports Authority has now investigated British Airways' case and denounced its decision. One might at least expect British Airways to reconsider the question. No ordinary business would dare to sweep aside such powerful criticism as contemptuously as the airline has now done. Upon what meat do these new public Caesar's eat?

Victor Ross.
10, Templewood Avenue,
N.W.3.

Too kind to Keynes

Sir,—Mr. Samuel Brittan's excellent article on the Fallacies of Economic Management (November 22) daringly explodes the myths so sedulously promoted by his fellow economic journalists. He rightly points to the damage done by the economic clerisy (his quaint w[...] who have supplied rational[...] tions and sophistries to supp[...] ever faster debasement of [...] currency. He deals however [...] kindly with Keynes and th[...] who have kept him enthr[...] and beyond criticism. It [...] Keynes who encouraged the [...] that the level of employment [...] determined by demand mana[...]ment. It was Keynes who ad[...]cated the "euthanasia of [...] rentier" arguing that increa[...] the quantity of money, redu[...] the rate of interest (look a[...] now!). These fallacies and [...] options have been fed to a w[...] generation of economists. [...] wonder we are in trouble!

Samuel Brittan makes re[...]ence to the fact that the l[...] of employment depends [...] host of real factors—ho[...] policies, supply and demand [...] different skills and the effic[...] of the labour market. This [...]tive side of economic po[...] making has been neglected [...]cisely because of the appa[...] availability of the soft opt[...] promoted by Keynes and [...] followers. Samuel Brittan [...] surely too pessimistic about [...] possibilities and not pessim[...] enough about the probabilit[...]

Much more could be done [...] reduce the panic which is [...]ing labour to attempt to p[...] itself out of the market [...] lenders to shy off even a[...]nomical interest rates if a [...]stant value clause were wri[...] into all contracts. Thus any[...] accepting a wage settlement [...] lending money for an ag[...] rate of interest would know [...] their contract was guaranteed [...] real terms. Much lower nomi[...] rates of interest and rates [...] wage increase would be acc[...]able if their real value [...] guaranteed.

Structural unemployment [...] hard core type that aff[...] Northern Ireland, Scotland [...] the North of England) should [...] tackled with generous re[...] subsidies in the short run [...] re-training and re-hou[...] schemes in the long run. If [...] were done, the need for infla[...] to maintain any given level [...] employment would be corr[...]pondingly reduced.

There are indeed no panac[...] for our present situation [...] clear thinking and determ[...] action in those areas wh[...] government can effectively in[...]vene could put a stop to infla[...] without unacceptable levels [...] unemployment.

However, the fact that we h[...] a government that seems to [...] completely brainwashed [...] fashionable fallacies make[...] probable that inflation [...] gather momentum beyond [...] present 10 per cent. rate.

R. M. Hadfield.
Rotowinder,
Forest Road,
Hainault,
Ilford,
Essex.

TV/Radio

GLC REPORT ON 'ALLY PALLY'

A study of Alexandra Palace and Park as they are to-day—and as they may become—is to be published within two months, the GLC arts and recreation committee has decided.

Questionnaires and copies of "The Future of Ally Pally," are to be circulated throughout North London.

BBC 1

† Indicates programme in black and white.

9.15 a.m. For Schools, Colleges. 12.30 p.m. Nai Zindagi Naya Jeevan. 12.55 News. 1.00 Pebble Mill at One. 1.45 Ragtime. 2.02 For Schools, Colleges. 2.45 Family Fare. 3.55 A Funny Thing . . . : Renée Houston with memories. 3.00 Television and Society. 3.30 Mastermind. 4.00 Play School. 4.25 Pixie and Dixie. 4.35 Jackanory. 4.50 Josie and the Pussycats in Outer Space. 5.10 Search with John Craven. 5.40 The Wombles.
5.45 News.
†6.00 Nationwide.
6.50 Dad's Army.
7.20 Search Control.
8.10 Softly, Softly: Task Force.
9.00 Nine O'clock News.
9.30 Steptoe and Son.
10.00 Party Political Broadcast on behalf of the Conservative and Unionist Party.
10.05 Sportsnight — European Soccer.
10.55 Midweek.
11.30 Late Night News.
11.35 Cut and Thrust.

All Regions as BBC 1 except at the following times:—

Wales—4.50-5.10 p.m. Cadi Ha. 6.00-6.50 Wales To-day. 6.50-7.10 Heddiw. 7.10-7.40 Ryan a Ronnie. 7.40-8.10 Sykes. †12.02 a.m. News of Wales.

Scotland—2.20-2.40 p.m. Living in Scotland: Teenage Drinking. 6.00-6.50 Reporting Scotland. 12.02 a.m. Scottish News Headlines.

Northern Ireland — 12.30-12.55 p.m. Farming. 6.00-6.50 Scene Around Six. 10.55-11.30 Wednesday Spotlight on Ulster events. †12.02 a.m. Northern Ireland News Headlines.

England—6.00-6.50 p.m. †Look North (from Leeds, Manchester, Newcastle); †Midlands To-day (from Birmingham); †Look East (from Norwich); Points West (from Bristol); †South To-day (from Southampton); †Spotlight South-West (from Plymouth). 12.02-12.30 a.m. Midnight South. 12.02 Regional News Headlines.

BBC 2

11.00 a.m. Play School.
†4.00 p.m. Early Years at School.
7.05 Man at Work.
7.30 News Summary.
7.35 Colour My Soul starring Madeline Bell: Gospel music.
8.10 Man Alive: examination of some recent strongly argued alternatives to the established practices in the boom world of property.
9.10 Wessex Tales: "An Imaginative Woman," by Thomas Hardy.
10.00 Party Political Broadcast on behalf of the Conservative and Unionist Party.
10.05 By Way of a Change.
10.30 Film Night.
11.00 News Extra.

LONDON

9.30 a.m. Schools Programmes. 12.00 The Daily Fable. 12.05 p.m. Rainbow. 12.25 The Adventures of Rupert Bear. 12.40 First Report: News with Robert Kee, FT index. 1.00 Sounds Like McEvoy. 1.30 Crown Court. 2.00 Marked Personal. 2.30 Good Afternoon! 2.55 The Main Chance. 3.55 Looks Familiar. 4.20 Lift Off with Ayshea. 4.50 Arthur of the Britons. 5.20 University Challenge.
5.50 News from ITN.
6.00 To-day.
6.35 Crossroads.
7.00 This Is Your Life.
7.30 Coronation Street.
8.00 Thirty Minutes Worth.
8.30 The Best of "Bless This House."
9.00 The World at War: Barbarossa, June-December, 1941.
10.00 Party Political Broadcast on behalf of the Conservative and Unionist Party.
10.05 News at Ten.
10.35 Men of Affairs.
11.05 The X Film: "It," starring Roddy McDowall and Jill Hayworth.
12.50 a.m. The Shape of Things to Come? Dr. Christopher Evans talks to Dr. Kit Pedler, author of "Doomwatch."

All ITV Regions as London except at the following times:—

ANGLIA

2.30 p.m. Houseparty. 6.00 About Anglia. 8.30 Men of Affairs. 10.35 Romantic v Classic Art: Jean-Auguste Dominique Ingres. 1.05 Russell Harty Plus. 11.50 Torquil. 12.15 a.m. Your Choice.

ATV MIDLANDS

12.00 Gordon Bailey. 6.00 p.m. ATV To-day including Police Five. 8.30 Men of Affairs. 10.40 Drive-in. 11.10 TV Movie: "The-Over-The-Hill-Gang-Ride-Again," starring Walter Brennan, Fred Astaire and Edgar Buchanan. 12.30 a.m. Gordon Bailey.

BORDER

6.00 p.m. Border News and Lookaround. 8.30 Men of Affairs. 10.35 Wednesday Night Film: "Crosscurrent," starring Jose Ferrer. †12.17 a.m. Border News Summary.

CHANNEL

12.55 p.m. Channel Lunchtime News. 2.30 The Galloping Gourmet. 6.00 Report at Six. 7.00 Treasure Hunt. 8.30 This Is Your Life. 10.00 Life in France. 10.40 Whicker Way Out West. 11.10 A Season of Gilbert and Sullivan. 11.55 Epilogue followed by News and Weather in French.

GRAMPIAN

12.03 p.m. Mid-day Round-up. 6.00 Grampian News. 6.05 Talking with Ted. 8.30 Men of Affairs. 10.40 Mid-week Movie: "The Power," starring George Hamilton. 12.35 a.m. Meditation.

GRANADA

12.00 Felix the Cat. 5.15 p.m. Nature's Window. 5.20 Crossroads. 6.00 Granada Reports. 6.25 University Challenge. 8.30 Men of Affairs. 10.45 The Mysteries of Edgar Wallace. 11.45 The Evil Touch.

HTV

2.30 p.m. Houseparty. 4.50 Woody Woodpecker. 5.20 Daily Fable. 5.25 Crossroads. 6.01 Report West. 6.15 Report Wales. 6.30 Arthur of the Britons. 8.30 Men of Affairs. 10.40 The Protectors. 11.10 "The Savage Guns," starring Richard Basehart.

SCOTTISH

12.00 Ba-Bar. 2.30 p.m. Housecall. 5.20 Daily Fable. 5.25 Crossroads. 6.00 Scotland Today. 6.25 University Challenge. 8.30 Men of Affairs. 10.40 Drive-in. 11.10 The Odd Couple. 11.40 Late Call. 11.45 The Baron.

SOUTHERN

12.00 Southern News. 2.30 p.m. Houseparty. 5.20 The Daily Fable. 5.25 Crossroads. 6.00 Day by Day. 8.30 Men of Affairs. 10.35 Music in Camera. 11.30 Longstreet. 12.25 a.m. Southern News Extra.

TYNE TEES

9.20 a.m. For the Deaf. 2.30 p.m. The Galloping Gourmet. 6.00 To-day at Six. 8.30 Men of Affairs. 10.35 Romantic v Classic Art: Joseph Mallard and William Turner. 11.05 Late News Extra. †11.20 The Wednesday Film: "Witness To Murder," starring Barbara Stanwyck and George Sanders. 12.40 a.m. Lectern.

ULSTER

†12.59 p.m. Ulster News Headlines. †4.23 Ulster News Headlines. 6.00 UTV Reports. 8.30 Men of Affairs. 10.35 Rules of the Game. 11.05 O'Hara United States Treasury.

WESTWARD

12.23 p.m. Gus Honeybun's Birthdays. 12.38 Westward News Headlines. 2.30 The Galloping Gourmet. 6.00 Westward Diary. 7.00 Treasure Hunt. 8.30 This Is Your Life. 10.37 Westward Late News. 10.40 Whicker Way Out West. 11.10 A Season of Gilbert and Sullivan. 11.55 Faith for Life.

YORKSHIRE

6.00 p.m. Calendar. 8.30 Men of Affairs. 10.35 Romantic v Classic Art: Jean-Auguste Dominique Ingres (1780-1867). †11.05 The Wednesday Night Film: "All Night Long," starring Patrick McGoohan and Richard Attenborough.

RADIO 1 — 247m

(S) Stereophonic broadcast

Time, traffic, and News summaries at 5.00 a.m., 5.30, 6.00, 6.30 then every hour on the half-hour until 6.30 p.m., 7.00, 8.00, 9.30, 11.00, 12.00, 1.00 a.m., 2.00. Weather at 5.02 a.m., 5.32, 6.02, 6.32, 7.32, 8.32, 6.32 p.m., 2.02 a.m.

5.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 Tony Blackburn. 12.00 Johnnie Walker including 12.30 p.m. Newsbeat. 2.00 David Hamilton. 5.00 Radio 1 Club with Stuart Henry including 5.30 Newsbeat. 7.00 As Radio 2 (4.15-9.20 Up Country and Edmundo Ross as VHF). 10.00 Sounds of the 70s: Review (S) also on VHF. 12.00-2.02 a.m. As Radio 2.

RADIO 2 — 1,500m and VHF

Time, traffic, and News summaries at 5.00 a.m., 5.30, 6.00, 6.30 (VHF, 247m), 7.00, 7.30, 8.00 then every hour on the hour until 5.00 p.m., 5.30, 6.00, 6.30, 7.00, 8.00, 9.00 (VHF and 247m only) 10.00, 11.00, 12.00, 1.00 a.m., 2.00. Weather at 5.02 a.m., 5.32, 6.02, 6.32 (VHF and 247m) 7.02, 7.32, 8.02, 8.32, 9.02, 5.32 p.m., 6.15 6.32, 2.02 a.m.

5.00 a.m. News Summary. 5.02 Barry Alldis with The Early Show (S) including 6.15 Pause for Thought. 7.02 Terry Wogan (S) including 8.27 Racing Bulletin and 8.45 Pause for Thought. 9.02-11.30 Pete Murray's Open House (S) including 10.30 Waggoners' Walk. 11.30 Jimmy Young (S). 1.30 p.m. Joe Henderson (S) including 1.45 and 2.45 Sports Desk. 3.02-5.00 John Dunn (S) including 3.45 Sports Desk. 4.15 Waggoners' Walk and 4.45 Sports Desk. 5.02 Teddy Johnson (S). 6.50 Sports Desk. 7.02 Pop Score. 7.30 Folk 73. 8.02 Up Country: Pete Brady presents groups (from 8.15 Up Country continues on VHF) (S). 8.15 European Soccer Special: UEFA Cup (1500m only). 9.20 Edmundo Ros and Orchestra. 10.02 Late Night Extra 1500m (202m in Scotland) including 10.15 Sports Desk. 12.00 Midnight Newsroom. 12.05 a.m. Night Ride (S). 2.00 News Summary.

RADIO 3 — 464m, Stereo & VHF

7.00 a.m. News. 7.05 Your Midweek Choice, part 1: Chopin, Schubert, Poulenc (S). 8.00 News. 8.05 Your Midweek Choice, part 2: Mozart, Beethoven, Bax (S). 9.00 News. 9.05 This Week's Composer: Mendelssohn (S). 9.45 Organ Music: Bach, Sweelinck (S). 10.20 Music of Southern Germany (S). 11.25 Words . . . : talk by Kingsley Amis. 11.30 The Music of "The Five" (S). 12.50 p.m. Concert Hall Preview. 1.00 News. 1.05 Concert Hall: Faure, Debussy, Renzo, Granados, Poulenc (S). 2.00 Acis and Galatea: Scenes from Handel's pastoral opera (S). 2.50 Academy of the BBC (S). 4.00 Choral Evensong. 4.45 The Young Idea (S). 5.05 Homeward Bound (S). 6.05 News. 6.10 Homeward Bound (continued). 6.30-7.30 Study on 3. 7.30 Radio Carlisle Opening Concert, part 1: Haydn, Sibelius (S). 8.25 A Cumbrian Culture (talk) (S). 8.45 Radio Carlisle Opening Concert, part 2: Brahms (S). 9.30 American Poetry Now. 10.15 A Havergal Brian Premier: Today is the first anniversary of his death (S). 10.55 Mozart and Faure chamber music (S). 11.55 News.

RADIO 4 — 434m, 330m, 285m & VHF

‡ Medium Wave only

6.20 a.m. News. 6.22 Farming Today. 6.40 Prayer for the day. 6.45-8.45 Today. ‡6.50 Travel News. What's On and Keep Fit. 6.55 Weather, programme news. 7.00 News and more of Today including 7.25 Sportsdesk and 7.35 Today's Papers. 7.45 Thought for the day. ‡7.50 Travel News. 7.55 Weather, programme news. 8.00 News and more of Today including 8.25 Sportsdesk and 8.35 Today's Papers. 8.45 Yesterday in Parliament. 9.00 News. ‡9.05 The Living World. ‡9.35 Parents and Children. ‡10.00 News. ‡10.05 In Britain Now. 10.30 Daily Service. ‡10.45 Morning Story. ‡11.00 News. ‡11.05 Fair Deal. ‡11.30 Thirty Minute Theatre. 12.00 News. 12.02 p.m. You and Yours. 12.27 Just a Minute. ‡12.55 Weather, programme news. 1.00 The World at One. 1.30 The Archers. 1.45 Woman's Hour (2.00-2.02 News). (‡ from 2.00). ‡2.45 Listen with Mother. 3.00 News. 3.05 Afternoon Theatre. 4.00 News. 4.05 In and Out of the Box: after 40 years' BBC service Robert Dougall talks about his career. 4.35 Story Time. 5.00 PM Reports. ‡5.50 Stock Market Report. 5.55 Weather, programme news. 6.00 News. 6.15 Petticoat Line. 6.45 The Archers. 7.00 News Desk. 7.30 Celebration: Michael Flanders and Donald Swann. 8.15 Midweek Theatre. 9.00 The Reith Lectures. 9.29 Weather. 9.30 The World Tonight: News and opinions including International Business Report and 10.25 Market Trends. 10.30 A Book at Bedtime. 10.45 Kaleidoscope. 11.15 Today in Parliament. 11.30 News.

London Broadcasting — 417m and 97.3 VHF

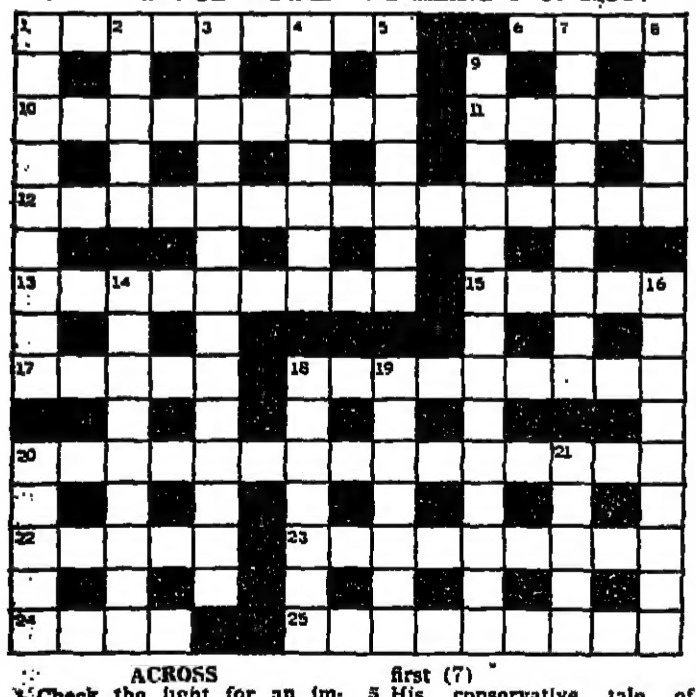
Regular News programmes on the hour and half-hour.

6.00 a.m. The Morning Show presented by David Jessel. 9.00 Two in the Morning: Paul Callan and Janet Street-Porter. 11.00 Open Line presented by George Gale. 1.00 p.m. London at One. 2.00 At Home with Gillian Strickland, Stewart Francis and Bel Mooney. 4.30 The Afternoon Show presented by Clive Roslin. 6.30 News World Wide. 7.00 Feedback. 9.00 Sounds New presented by Sarah Dickinson. 12.00-6.00 a.m. Nightline.

Capital Radio — 539m and 95.8 VHF

6.00 a.m. Roger Scott and Monty Modlyn. 9.00 Tommy Vance and Joan Shenton and Swop Shop. (10.05 She and Me; 11.00 "Dapple Downs," starring Adrienne Corri). 12.00 Dave Cash's Countdown. 2.00 p.m. Tony Myatt and Music. (2.15 "The Courtesans"—serial). 4.00 "The Bedsit," starring Peggy Mount. 4.15 Dave Symonds. 5.58 Honey Adair. 6.00 London's Day. 6.30 Nicky Horne's Rock Show. 8.30 Allan Hargreaves on Open Line. 10.00 Jazz. 11.30 Marsha Hunt and guests. 12.30-6.00 a.m. Night Flight with Sean Kelly.

F.T. CROSSWORD PUZZLE No. 2,337



ACROSS

1 Check the light for an important game . . . . (4-5)
6 . . . . a tie could be an attraction (4)
10 Hose and maybe a ladder or two but not for firemen (9)
11 Dispose of the soldier inside? That's being strict! (5)
12 Visualise standard character that transmits illustrated messages (7, 8)
13 Ostentatiously supply Omo in new form (9)
15 It takes an age to give Eastern Petty Officer an honour (5)
17 Wake us with caviare all round (5)
18 Prevent a Liberal being admitted? It's most common! (9)
20 Self-operating starting device—a claim to put it so is distorted (9, 6)
22 It is foreign to lie in one (5)
23 Reduce x10 us (9)
24 Spoil a girl for food (4)
25 Vulgar and inelegant, having lost sense (9)

DOWN

1 Pre-examination questions in the chemical laboratory (4-5)
2 The way to get round one Conservative is to be indifferent to emotions (5)
3 Cosmetics applied to a person's head? One must decide (4, 2, 4, 4)
4 Offers nurses soft sweets at first (7)
5 His conservative tale of events (7)
7 Dress before mother gets the part and gives a long-winded explanation (9)
8 Walked through water and married without notice (5)
9 Attempt the single-handed game, i.e. pique (3, 3, 8)
14 Ranges—climb one in part of Scotland (9)
16 Landlords lose their composure (9)
18 One in hospital is expecting with calmness (7)
19 Stirs up using former names (7)
20 A tie brought up as a prize (5)
21 Go over the outline of an instrumental record (5)

Solution to Puzzle No. 2,336

TURNOFTHESCREW
H N O A O P E A
ALIENNARRATION
M V C C S R G G
BREWERYETERNAL
L R F T E
EASEDREMAINDER
A R E I M O
JOLLYWELLEXIST
U A K N O
NEMESISTHOUGHT
I A D T E R T T
POSTULATEGRIME
E O S L T A M R
RINGTHECHANGES

Racing

Royal Mark again

by DOMINIC WIGAN

SPANISH STEPS could only finish a well-beaten sixth in the Hennessy Gold Cup at Newbury on Saturday, but it will be a major surprise if he fails to dispose of Relic's Son and Argent in Haydock's Sundew 'Chase (2.45) to-day.

Under the conditions of this race Spanish Steps has to concede only 12 lbs and a stone to Relic's Son and Argent respectively, and I expect him to be followed home by Paddy Sleator's Argent, who has travelled over from Co. Wicklow for this, his first run of the 1973-74 season.

A year ago Fred Rimell won the County Handicap 'Chase (1.45) with Royal Mark, and I hope this seven-year-old will gain his third success over the course and distance by winning the race again. In his only outing this campaign, Royal Mark was an appropriate winner at Wolverhampton a fortnight ago, on the Royal wedding day, and although he has a 7 lb penalty for that victory, this improving gelding should be too good for Haggis.

HAYDOCK

1.15—Johnny Black
1.45—Royal Mark
2.15—Jave River
2.45—Spanish Steps
3.15—Dante Rambler

ASCOT

12.30—Trikomo
1.05—Alice's Boy
1.35—Colonius
2.05—Spindrift**
2.40—Late Night Extra***
3.15—Equivocal*

Stan Mellor has sent Jave River on the long trip from Lambourn for the Club Handicap Hurdle (2.15) and in the absence of Lot he may give Jeremy Glover his 15th winner of the season.

To-day's only other meeting is at Ascot, where the best bet on the programme is to my mind Late Night Extra, who will be a firm favourite for the Garth Handicap 'Chase (2.40). This six-year-old has had two races this term, and in both he could not be faulted.

In the first of these, at Leicester three weeks ago, he made all the running to defeat Woodland Poacher by eight lengths, and he followed up that victory by easily accounting for Another Marshall at Kempton nine days later.

Guy Harwood's Bedouin put up a smart performance to defeat Great Opportunity at Newbury early this month, and he will probably be Late Night Extra's principal opponent.

The Queen Mother had the satisfaction of seeing her consistent chaser, Game Spirit, win at Newbury on Friday, and Colonius will be well supported to give her another success, in the Copper Horse Handicap Hurdle (1.35).

The chesnut gelding, who is trained (as is Game Spirit) by Fulke Walwyn, jumped badly to the right at the final flight in the Chaplin Handicap hurdle at Cheltenam 18 days ago, and was only able to finish a disapp[...]ing 4th to Dr. Domore.

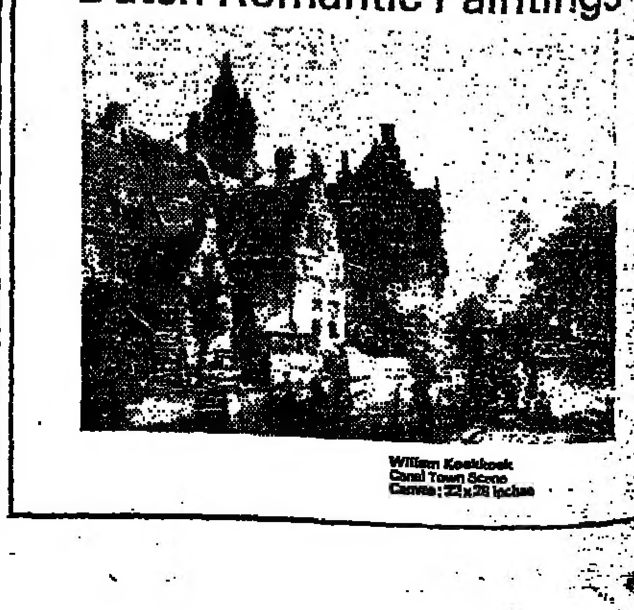
Nevertheless, he had [...]viously been second of 19 to [...] very useful Swift Shadow [...] Newbury, with Carrick Bend [...] Perambulate in 3rd and [...] places, and I hope to see him [...] from Good Relations.

Equivocal, a promising 2nd [...] Debenture on his hurdling de[...] is a reasonably confident ch[...] for Div II of the Punch [...] Juvenile Novices' Hurdle (3[...] as is Spindrift in the Home [...] Novices' Chase (2.05).

PLASTICS BLAZE TESTS PROPOSED

A TEST programme to see [...] plastics behave in fires is nee[...] the Greater London Council [...]

Talks are being planned [...] Government departments, ma[...]facturers and trade associati[...] on setting up tests that sh[...] lead to new safety standards.



stival Hall

Callas and Di Stefano

by ANDREW PORTER

ıria Callas, together with eppe Di Stefano, returned to lon on Monday to give a brief al of operatic arias and s. It is a decade or so since . Callas last sang here. The was full, the welcome full-ted. There must have been y there who had come to see hear, for the first time, a nd—a legend graved for rity by that Cherub who sits e centre of Angel Records: he Cetra recordings which eded them: and most truth- of all on the dozens of ıctored "pirate" discs that ıre the sound of Callas, at greatest, in the full swell of eatre performance.

count myself lucky that I d her often in the great s. Through thick and thin ved and admired her: as na and Amina, Anne Boleyn Paolina in *Poliuto*, as Cheru- s *Medea* and Rossini's ida, as Violetta and Leonora Aida, as Tosca. In life I ed her Gluck, her Beethoven, Wagner. Thousands of words this page attempted to ibe her phrasing, her ımation, her timing, her feel musical gesture matched to lance or action, her un- hed command of eloquent and telling tone-colour, the leteness of her interpreta- —and the power, beauty, leness, and variety of a that was never quite tamed whose compound of flame tears, fierceness and tender s could leave no one un- ed.

w much of this could be osed on Monday? The recital ed us that Mme Callas was, is, a very beautiful woman. was simply and strikingly ed in white, with a cloak of est blue. Her stance was of unaffected dignity; ıres were few. And we l still hear, in the lower of the voice, the old inci- ess of utterance. But an as great as she has been not be insulted with less the truth from an admirer. voice was a shadow of its er self. She carried that telling low register up to G or A; above that, the tone went into a cloud, and could be heard only in monochrome; the timbres were no longer shaded or altered, nor was there much dynamic variety. The effect was —well, if the final duet of *Carmen* had been a recording, played on an old-fashioned gramophone, it was as if someone suddenly stuffed a duster into the horn when Carmen reached the B-flats of "ma vie."

Perhaps it could be said that the voice has, at last, been in some sense "tamed"—in that the interpretations were kept carefully within the bounds of what it can still do. It was seldom unsteady; there were no sudden searing top notes, no squalls. Perhaps it is a voice that should now be turned, to lieder, to *romanze* and *melodie*, rather than the *verismo* repertory; Mme. Callas's two solos were "Suicidio" from *La Gioconda* and "Voi lo sapete" from *Cavalleria*. It was only in an encore, "O mio babbino caro" from *Gianni Schicchi*, that the soprano let herself go. This was the least controlled piece of singing throughout the evening; it was also the most exciting—and afforded at last that single moment I was longing to seize on and single out as a living example of Callas's art: her utterance of the word "anello." Lauretta came to life more vividly than any other of the heroines reviewed on Monday.

The duets were from *Don Carlos* (Act 2), *Carmen*, *Les Vêpres siciliennes*, and *Cavalleria rusticana*. The last was the best; by this time, both singers had become bolder. Mr. Di Stefano chose as his solos Aubade from *Le Roi d'Ys*, and two Tosti songs, *Non t'amo più* and *Marechiare*. There is plenty of good full tone left in his voice, but the mechanism for producing it seemed often to function in slow motion, so the results were sticky. Ivor Newton, who has accompanied all the great singers from Melba and Tetrazzini onwards, was at the piano.

Guiseppe di Stefano and Maria Callas

hmond Theatre

World of Harlequin

by CLEMENT CRISP

et for All's latest pro- ne is about dance's debt to ommedia dell'arte, about character, gesture stylised ıtural. The first half of the g, as shown on Monday hmond where the company earing this week, traces in detail the influences of aracters and attitudes of aditional Harlequinade as re to be seen in 250 years llet, from *The Loves of and Venus*—that earliest h attempt at mimetic —to MacMillan's 1972 view commedia dell'arte,/ *The m.*

way of the *Giselle* and *rnaval*, and with useful ce from narrators, the tic element in ballet is ed: how the drooping steps sweethearts of Portsmouth their despondent passion laye, and how the gallant 's solo is built upon l gesture—these are the illustrations that get the e across without undue A dozen examples from ertory are shown, for the art well done: Belinda a pretty Cinderella ing with her broom: line Elliott touching as the Betrayed Girl of the *Rake's Progress*.

My chief reservation is about the opening *Le Carnaval* section, in which it is unrealistic to expect that Ballet for All's young artists can do more than go through some of the motions, with the added disadvantage of a dispiriting account of the score from two pianists. Elsewhere, the theme is clearly set out, and for aficionados, there is the chance to see a brief solo from Ashton's *Harlequin in the Street* —dating from 1938—with its sparkle undimmed.

In the second half of the bill we are offered a Harlequinade, choreographed by Sir Frederick Ashton and Dame Ninette de Valois, and produced by Alexander Grant as an evocation of Grimaldi—one great clown's tribute to another. Not too serious about period style, *The Wedding of Harlequin* is lively, and it contains an affectionate view of Grimaldi (well taken by Thane Bettany), ending with that saddest of farewells when the impoverished Joey held his last audience from a chair in which he was confined by a body broken during a lifetime of capering.

Sainsbury Collection for University of East Anglia

obert and Lady Sainsbury ir son, David Sainsbury, iven their collection of s, drawings and sculp- the University of East together with an endow- f £3m.

collection contains over rks from Europe of the d 20th century, including y Henry Moore, Francis Giacometti, Degas, Seurat, Picasso, Modigliani and There are 169 pieces of e sculpture from Africa, and the Americas. Eastern art is repre- by 104 works ranging Egyptian, Sumerian and sculpture of the third ium BC to Byzantine and f the seventh century AD. re 22 works from various ions of the Far East.

one-half of the endow- ill be used to build, at iversity of East Anglia, insbury Centre for the Arts, which will contain s to house the Sainsbury on, the University's own m and an area for visit- ibitions, as well as housing the University's Art Library and possibly a studio for a professional sculptor. It is hoped to integrate the building, sited on the University Plain, with the Visual Arts sector of the School of Fine Arts and Music. The public will have access to the collection as far as is possible.

The remainder of the endowment will be invested as the Sainsbury Purchasing Fund and the interest used to add to the collection, perhaps also to add to the Art Library and to endow Sainsbury Fellowships for professional sculptors.

Meadow Players' farewell to Oxford

The Meadow Players' production of *Cinderella* in Frank Hauser's version will be the last production to be mounted by the company. It opens at the Playhouse on December 19.

Television

Breaking the toddlers' truce

by CHRIS DUNKLEY

Cotonasos is definitely a baddy. He's not actually wearing his hat indoors, but during our first sight of him he is sitting at a table using a carborundum lovingly on one of a whole collection of nasty looking knives which are laid out in front of him. Another man enters, also unmistakably a baddy—in a hook his complexion would be described as "sallow" and that marks him out as clearly as though he were wearing a hooped jersey and shouldering a bag marked "Swag." He says to Cotonasos "I want to buy your services." Hardly the most circumspect of men, Cotonasos replies "You want somebody killed?" and is told with equal forthrightness "Two people."

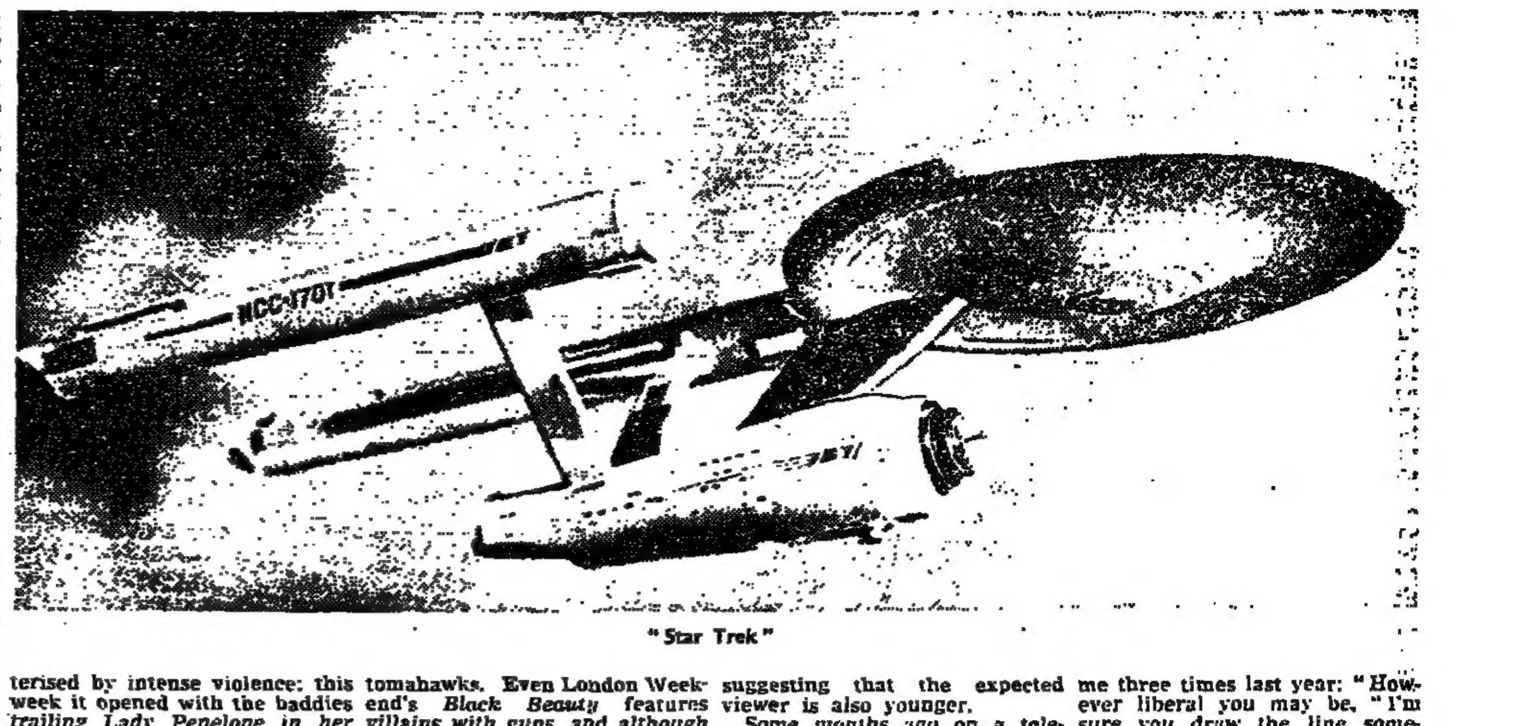
One of the late night black and white thriller series repeats? No. One of Hollywood's less successful 1950s B-features, sold to television in a mixed package? No. *Tarzan*, actually, on Saturday morning on ITV. We've come a long way from Lord Greystoke, Kala, Kerchak and Sabor. This being children's television (presumably) we've come a long way, too, from the "toddlers' truce" which came into force between 6.00 and 7.00 every evening until the beginning of 1957. At that date television was synonymous with the BBC, and when it came to kiddies' bedtimes Auntie knew precisely where her duty lay: television could be a serious temptation, distracting children from their cocoa and digestives not to mention their toothbrushes, and causing dissension in the family ranks. So the transmitters simply closed down for an hour, and the screens went black, while the children were packed untempted off to bed.

This sort of paternalism disappeared even before the demise of *Muffin The Mule*, and nowadays not only children but adults too are "tempted" by an uninterrupted stream of programmes which extend well beyond the bedtime of most of the population. What's more that paternalism, amounting almost to sentimentalism, is distinctly lacking not only in *Tarzan*—for which the BBC bears no responsibility—but in *Dr. Who* (absent from our screens at present) which came out near the top of the list of most violent programmes in the corporation's own study; and it is missing also from *Star Trek* which though made in America is imported and broadcast in Britain by the BBC.

Last week's *Star Trek* although it ended (unintentionally, I am sure) as a satire on American mores with salutes being given to the sanctity of motherhood, even when applied to space monsters, and the inviolability of the profit motive, was concerned for most of its 50 minutes with a particularly unsavoury variety of monster which lived deep in the rock of the planet Janus and knocked off the human colonists one at a time, leaving them "looking as though they'e been thrown into a bath of very strong acid." In some respects the episode was admirable as ever the production techniques were smooth and effective; and the central point of the story—that all forms of life as we know it are based on carbon compounds, but that this monster's metabolism is silicon based—was an intriguing one, if not totally original. As with so much science fiction, Isaac Asimov had been there before.

But it *was* full of mayhem and violent death. Again and again the camera adopted the eye-line of the monster as it approached a terrified and screaming man, carrying the audience over the top of the victim before turning back to look at a man-shaped hole in the ground, with sinister trickles of smoke floating away from the edges.

Thunderbirds on Sunday mornings is also very lavishly staged, but it, too, is characterised by intense violence: this week it opened with the baddies trailing Lady Penelope in her six-wheeled Rolls-Royce, and being hurled off the road to crash down a ravine in a fireball when dishy Lady P. opened up on them with her rear-facing cannon. It was no surprise during the commercial break to find the virtues of a doll for little boys being extolled: "Arms and equipment are gripped really efficiently by his new bands . . ." said the voice-over while the pictures showed the dear little mannikin's dear little guns and his dear little tanks.



"Star Trek"

The two period pieces which are at present running in children's slots, *Arthur of The Britons* from HTV and *Hawkeye The Pathfinder* on BBC1, are a little less extreme in their violence, but both make great play with man's hostility to man and with their contemporary weapons: broad swords and knobbly clubs, or flintlocks and tomahawks. Even London Weekend's *Black Beauty* features villains with guns, and although there was no outright roughhousing in the episode I saw of BBC1's new Monday adventure serial, *The Terracotta Horse*, the Jackson family who are holidaying in their Landrover are being shadowed by some very obvious criminals.

By my reckoning this leaves just three programmes in the upper age bracket of children's television: *Search* from Bristol, presented by John Craven for BBC 1 on Wednesdays; *The Wonderful World of Disney* on BBC 1 on Saturday afternoons; and *The Partridge Family* on ITV on Saturday mornings. Down in the lower age bracket, from three years to perhaps seven, where the BBC leads the field by a mile, there is a splendid collection of programmes ranging from *Playschool*, *Jackanory*, *The Clangers* and *The Wombles*, through *Basil Brush* to *Blue Peter* and Thames' *Magpie*.

This odd arrangement of children's programmes raises two questions: first, when is a child not a child, and second why is violence considered so particularly suitable for children aged between about seven and 10? In television the answer to the first question seems to be that anybody over the age of 10 or so is considered an adult. Children of 11, 12, 13 or 14 may very well watch *The Partridge Family* or *Star Trek* or *Hawkeye* but then one suspects that a lot of old age pensioners also do so with an equal amount of enthusiasm. The only programme which might supposedly be geared specifically to this age range is *Search*, but even here where the reporters and panellists are often around 15 it was interesting to note last week that the participating studio audience was a lot younger, suggesting that the expected viewer is also younger.

Some months ago on a television discussion programme, concerned mainly with pop music, it was suggested that there was simply no need to make programmes for young teenagers; they were "just people" and to make programmes specially for them would be artificial and condescending. Yet a need is clearly recognised for graduations of some sort—a three-year-old will get very little out of *The Ascent of Man* or even *Crossroads*, so special programmes do have to be made for some age groups. The question, is where to draw the line and at present the television organisations seem to have taken an odd and arbitrary decision to draw it at the age of about 10. From then until around 15 children are left to their own devices to choose between shows made for their baby brothers and those produced with their parents in mind.

It is not so much a question of new subjects being needed (are there any?) as of new attitudes. The 13-year-old mind is frequently less rigid, more eclectic, more inquiring than its adult counterpart; programmes produced with this thought in mind —whether they were on politics, poetry, pop or polo—might very well turn out to be a good deal more interesting than "adult" programmes.

On the question of violence, in spite of the catalogue above, I do not side with the "imitative" school of belief to which Lord Longford, Mary Whitehouse and Milton Shulman subscribe. Here too the question of drawing lines is raised—frequently by Lord Longford himself, who on a recent *Frost Programme* several times asked the question which he also asked me three times last year: "However liberal you may be, "I'm sure you draw the line somewhere, for children if not for adults. *Where* do you draw the line?" It is a sort of Catch 22 question, of course because one has to admit that one does draw the line, both for oneself and for one's children, when absolutely necessary. But what one so often forgets to add is that this does not involve the imposing of identical lines on Lord Longford, or Lord Longford's children, or his grandchildren for that matter. And this is where we differ since Lord Longford has made it clear that he would be delighted to draw lines for all of us.

I have no desire to deprive those who want it of all the violence they care to stomach. I do feel, however, that there is now so much of it in children's programmes that they have become boring, repetitive, and uninformative—when what children need is inspiration, variety and information. On the whole, television reflects the values of society, and one of the most perverse aspects of our soceity is the firm belief that activities which harm life, and which are inherently painful and unpleasant for those involved—fighting, shooting and torturing, for instance—are not only permissible spectacles but quite suitable for children's entertainment, while phenomena which enhance life and are pleasant for the participants—love and sex—are considered quate quate disgusting.

This is not a plea for full frontals on *Playschool* (though few small children would bat an eyelid at either). It is, however, a plea for a little less boring and unpleasant violence, a little more inventiveness, and a lot more variety.

Theatre Upstairs

The Pleasure Principle

by B. A. YOUNG

Although the Pleasure Principle itself is explained by two apes during the first interval, I have to say that I have little idea of what Snoo Wilson's play is about. A quick run through the story may explain why.

In Act I, Gale and Marien, two English girls on holiday in Ireland, take Joan, an Irish girl, to work for Marien's rich ex-husband. Robert, the ex-husband, has no use for her, as he is having an experimental affair with his chauffeur Mack, also teaching him to read. More or less simultaneously, Mack is attacked by gangsters and Robert goes mad.

The next act finds Gale, the younger girl, living in a bed-sitter with Joan and Mack. While Joan is drunk, Gale copulates with Alko, an American footballer, and two burglars (is one of them Mack, or is he just played by the same actor?) break in and steal everything. As a climax, Robert, who should have been safe in a home, saws a hole in the wall and dispenses philosophy until he is led away by Marien.

He and she are living together in a circus tent in the next act, their money all gone. Here they are visited by Alko and Gale, with their baby and their nanny (Joan) who is demanding an extra £6 a week. Mack arrives with a writ, having worked his way up the social scale to be a bailiff. The circus must move away, and Robert and Marien will be homeless and penniless. But at the last moment the French circus-owner and his team arrive like a company of the U.S. cavalry and they are saved, if you call living and working in a circus being saved.

This is only a bare outline of the plot, and, as happens when the plots of farces are described, it hardly conveys the true character of the play, which is really very amusing in a manner that recalls Spike Milligan in his best days. Snoo Wilson can not only be funny, he can be dramatically effective. Moments like Gale's discovery of the bomb in the Irish Wimpy bar, Robert and Mack's wordless tango, Robert's entry through the bedroom wall, are well-prepared coups de théâtre in their modest way. I laughed quite a lot during the evening.

But unless this author has changed, there ought to be a powerful theme detectable somewhere among the horseplay. Now and then I thought I was catching one, but on reflection I doubt if I ever did. I suspect that there is a conclusion to be drawn about the relevance of affluence and authority, or of affluence and happiness. Gale settles down to be a dull middle-class girl; Alko has an affair with Joan; Mack acquires education but misuses it; Robert and Marien give every sign of welcoming a life on the road, though we should remember that Robert is mad and Marien has been pleading for a stable life only a moment earlier. Some of these details are given us in voice-over, as Gale's meditations tend to be revealed to us.

Well, it gives the intellect a little exercise, I suppose, but for my part I will settle for the laughs. The production by David Hare is packed with motley invention. Much of it is quite irrelevant, but this may be the author's doing. There are enjoyable performances by, among others, Dinsdale Landen as Robert, Ann Firbank as Marien, Julie Covington as Gale, Brenda Fricker as Joan.

Elizabeth Hall

Inner Light

by MAX LOPPERT

Electronic for Schools, it appeared, and may well have been: the audience for Monday's Redcliffe concert of electronic music was made up, in large number, of unstuffy-looking youth, casually dressed and high-spirited. This lent itself to a friendly atmosphere (the organisers had brightened up the platform with rugs, cushions and a bed to one side, containing two pigtailed dolly-birds—why?) and, when high jinks were appropriate, it was fun. But when they were not—notably during the evening's commissioned first performance, Jonathan Harvey's *Inner Light (1)*—musical concentration was disturbed, with unhappy effect on the music.

The title of Mr. Harvey's piece — composed for prerecorded tape and chamber septet which includes piano, organ and various percussion forces—suggests metaphysical content, however little specified. The work's progress seems to confirm the suggestion: the growth and transformation of an indistinct, subterranean tape rumble to pitched notes (the programme note tells of the first four notes thus achieved—C, B flat, F and G—as being "midwifed"), and through various complexities of serial, metrical and timbral organisation and development towards a coda in which the chords finally arrived at still themselves to a halt, the tape silenced—"a 'moral' at the end of the story," according to the same programme note.

Along the way the listener has encountered an exchange and interchange among the various forces, a feeling for live musical argument between taped and live musical sounds, that tells of an intense, subtle, distinguished musical mind at work. The form of the piece, though difficult to grasp at a hearing, even with the score to hand, is instinctively felt to be cohesively structured; and the ear, though rarely beguiled, is provoked and fascinated by wind-and-string twitterings, piano cascades and sudden tape violence reminding one of Messaien and Stockhausen (or is this being wise after the event?—Mr. Harvey's admiration for these composers is on record), but which are put to fresh, personal, interesting new uses.

It is a long, testing, difficult piece; I should have welcomed the chance of hearing it twice, and would happily, in order to do so, have forgone Henze's *China Music* tape (a tape created to accompany sculpture, used here as background to grouple games by the girls in the bed that rendered it all but unheard) or Tristram Cary's dry, sterile *Romantic Interiors* for 4-track tape and two string players. There was a light, short, weirdly lyrical fantasy called *Trio*, in which the young flautist-composer Simon Desorgher "mediated" on his instrument in flip, virtuoso style between disparate sounds heard through two speakers, and which never outstayed its welcome. And Birtwistle's *Chanson de Geste* (a rearrangement of an earlier work, reconstructed for quintet and 4-track tape) fascinated, too, in its slow, measured, processional way. I'm not sure why or how it did so; here, too, another hearing would have paid rewards.

In Monday's review of the Schwarzkopf concert, carelessness had me ascribing the poem used by Wolf for his *Sonne der Schlummerlosen* to Mörike. It is, in fact, a translation of Byron by Gildermeister.

Nigel Greenwood

Keith Milow

Five huge red crayon drawings on tracing paper, and one large blue painting form an interesting exhibition at Nigel Greenwood's until December 1. The work is by the young British artist, Keith Milow, who has been spending some time in New York.

Much of Milow's work has been concerned with the process of art seen in a very conscious and logical way. Many of his works encapsulate a lengthy process of observation of a form, and the transformation of that form by manipulative and photographic processes. The big blue painting consists of an intense blue brushed and stroked onto the back of a huge sheet of plastic. From the front we see simply the shimmers of the brush strokes resolving into an impression taken initially from a photograph of Milow working on another work.

The process of change and transformation between one kind of rendering of an image and another obviously matters very much to Milow; I don't really know how much it should matter to the spectator. The big blue painting is—simply—an exciting and exuberant use of paint, used to make an object both bold and sensitive, with the painterly surface of the back transformed as we perceive it through the smooth shining plastic that faces us.

The red drawings are the result of a very complicated process to arrive at the suggestive, blocked shapes that we see. First there was a study for a preliminary drawing, then a drawing which was photographed, and then there was a drawing taken from the photograph, and then a photograph of that drawing . . . working model and preliminary drawing were photographed, in vertical and horizontal pannings of the camera; drawings were made from these photographs, and then themselves photographed with a faster movement of the camera to form the basis for further drawings . . . the artist has kept it all straight and logical, but I'm lost already, except that in a very real sense the drawings, which appear as splendid streaks and shadings and hatchings and lines of vivid red, are about the mechanical and handmade processes of reflections and transferences of images.

What we see are clouds of colour, made up of myriads of fine crayon lines, informed and structured by the convoluted but logical process of their making, the sorting out of the abstract images which in turn are reformed by each drawing. It is a series of self-set hurdles, an apt analogue for the narcissistic element which is always present, if not so obviously, in much art-making. For a base of "art" is the transference and transformation of images, whether perceived and imaginatively translated from the outside, external, observable world, or extracted whole from the inner imagination.

MARINA VAIZEY

CINEMAS ARE CONTINUED ON PAGE 26

Your Life May Depend on Him!

Norman Holroyd of Nu-Swift

A wolf in sheep's clothing? At first sight, Norman Holroyd appears gentle enough. But as far as Nu-Swift fire extinguishers are concerned, as Chief Inspector he is nearly-all-powerful . . . and he insists on perfection. Because lives may be at stake!

The products he passes or *rejects* are fire extinguishers and *their component* parts. Fires can be a danger to life – the evidence springs from every newspaper. What may not be appreciated is that fire extinguishers themselves can be dangerous. Which is why the first item of the desiderata laid down by the Board of Directors and adhered to by employees at Nu-Swift is SAFETY. And it is Norman Holroyd who is the unyielding guardian of that safety.

Reported by Marjory Crowther

"Tell me, Mr. Holroyd . . ."

"*Please!* Call me Norman, everybody else does," he cut in.

"All right then, Norman, what does your job *involve? You surely* cannot personally check every Nu-Swift extinguisher before it leaves the factory?"

"Oh no, I've got thirty good lads working for me. You see, we start inspection right back at the raw material stage, so *that wastage of* time and materials is kept as low as possible."

"Have you ever reckoned up how many inspection processes are carried out to ensure your high standards?" I asked.

"No, but actually there are thousands – yes, really – in a day's work. Shall I tell you about a few, to give you some idea?"

"Yes, please do," I gasped.

As a preliminary, Norman explained that most Nu-Swift models are stored-pressure extinguishers, that is, the extinguishing agent and the expellent gas are stored together in the body of the extinguisher. It is *therefore essential that the body* and fittings are strong enough to withstand any pressures that are likely to develop inside the extinguisher, and also that the pressure can be permanently retained.

Pressure testing with a dual purpose

"Strength and pressure tightness are both checked by pressure testing. Normally, pressure testing of pressure vessels is carried out *hydraulically, but at Nu-Swift* we also do it by air-testing. For carrying out these tests, special machines have been built. The extinguisher bodies are fitted to the machine and air-pressure is applied until the required test pressure is reached, *usually twice the working pressure.* While under pressure, the bodies are immersed in water and examined for leakage and other faults. After a pre-determined time, the bodies are removed from the water and further examined very carefully for leaks. Let's go and look, and you'll see *what I'm talking about."*

Our first stop was at one of the four air-testing rooms, where I was surprised to see a man looking through a little window. "Whatever is he doing?" I asked.

"Ah, you think that he should be *inside so that he could see better?* No, this is never allowed during the first part of the test. When the internal pressure is high – in the majority of cases 600 lb./sq. in. (42.2 kg/cm²) – it is essential that the inspector should be protected, in case fracture of the cylinder or failure of the connections should occur.

"When the extinguisher bodies have been subjected to the test pressure for the correct length of time, the internal pressure is automatically reduced to about half the test pressure. Only then can the inspector enter the test room for close examination of the bodies for *leaks."*

Drama of test to destruction

"Come on, let's show you how we burst an extinguisher. One of every type of body from each day's pro*duction is tested to destruction* to ensure that the bursting pressure is above the minimum laid down in the design specification."

He led me round a corner, and there we saw an extinguisher body already connected to the pump. As *the finger on the* dial crept upwards, I grew more and more tense. "The extinguisher body will be swelling now," commented Norman at 1,000 lb./sq. in. (70 kg/cm²), "but it is too strong to burst yet."

Suddenly, at 1,900 lb./sq. in. (134 *kg/cm²), it happened!* A sharp report brought all eyes to the extinguisher, which the inspector was lifting from its bed, and there, plain to see, was a slit in the body, reminiscent of a gashed finger.

This was a dry powder extinguisher body we had been watching, and later, among many other tests-to-destruction, we watched the test of a pressure charge to be used in a 10-litre extinguisher. In this case, the charge body burst at *15,000 lb./sq.* in. (1,055 kg/cm²). Norman explained that with *all* extinguishers and charges, the bursting pressure is at least four times higher than the operating pressure.

Model 1826 *extinguisher body after test to destruction.*

Then Norman *told* me about other tests, carried out in the Factory and elsewhere. The air-testing we had seen cannot, of course, find leaks in any joints or seals subsequently made. Additional methods of inspection at these joints must be used.

"Is it possible," I ventured, "that after all the tests you have described, a *faulty* container may get through? Do you ever actually *use* an extinguisher to make sure that in *spite* of the tests at every stage, it isn't somehow inadequate?"

"Oh yes. Every day, extinguishers selected at random are taken to our Test Ground and operated in the normal way."

"Have we covered all the tests now?" I *enquired hopefully.*

"What, had enough already?" chuckled Norman. "No, we've only scratched the surface yet. For instance, there's all the testing associated with making Dry Powder extinguishers. We make all our own powder, you see, and *its production* is checked at various stages to ensure strict conformity with our specifications."

"You obviously take the most fantastic care," I commented, "but how can you be sure that the materials supplied measure up to *your demanding standards?"*

"Partly by carrying out our own checks, and partly by sending samples of raw materials to independent analysts for examination," he answered. "But the supplier has an obligation too, which ensures that *we receive high-quality materials.* In the UK, in order to obtain certification to apply the BSI Kite-mark to any product – you'll have seen this on our extinguishers – all materials from which the product is manufactured must conform to the relevant British *Standard* or other approved specification.

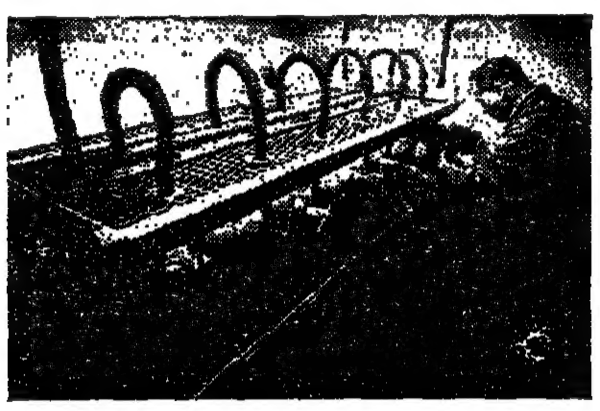
"I haven't said much about our carbon dioxide extinguishers," said Norman. "The cylinders for these must be made in conformity with Home Office requirements, or, *in some cases, with the more stringent* requirements demanded by certain overseas authorities."

A typical testing programme

"Now, suppose we go quickly through the processes for just one extinguisher, Model 1807," said my patient guide. These are:

a) *Components received at Goods* Inwards are checked.
b) A thorough inspection is carried out on all components which are machined in the Machine Shop.
c) A 100% inspection is carried out after welding and brazing of the extinguisher body and after each subsequent operation. These tests are as follows:
   1) Visual inspection of the weld.
   2) Pressure testing the completed body.
   3) Checking the thickness of the zinc applied for corrosion protection.
   4) Checking for quality and appearance after painting.
   5) Checking of the dip-tube, charge head and charge plug assemblies.
   6) Checking every operating head and hose assembly
   7) Test of complete head, hose and nozzle assembly.
   8) Checking the weight of powder and CO_2 in the filled extinguisher.
   9) Bonding for *42 days,* after which each extinguisher is again check-weighed.
   10) Final inspection before packing ready for despatch.
   11) Final inspection of pressure gauge before despatch.
d) Discharge and fire tests on extinguishers selected at random.

Before I left, Norman showed me a letter received only that morning *from a recent visitor. One paragraph* read, "We were most impressed by the standard of your quality control at Elland, which was above anything we have seen elsewhere." I could only echo that sentiment as I bade Norman goodbye.



Loading extinguisher bodies on air-testing machine.

WORLD TRADE NEWS

THE U.K.-IRAN INVESTMENT CONFERENCE

Mutual difficulties aired

BY DAVID HOUSEGO

PERSEPOLIS, Nov.

AS THE Irano-British Investment Conference settled down to its first working day here, the emphasis *was on airing* the mutual difficulties that have emerged in carrying out joint venture *projects.*

Industrialists on both sides raised the question of the Iranian *Government's usual* insistence that foreign partners should generally commit themselves in advance to export between 5-25 per cent. of their production. Sir Michael Clapham, President of *the Confederation of British* Industries, wanted to know whether a *foreign* company, in *making the commitment,* had entered into any legal obligation, pointing out that is was impossible to forecast what would happen in world trade.

Lord Thorneycroft, Chairman *of* the British Overseas Trade Board and co-Chairman of the Conference, indicated that a company would even be nervous of making such a commitment in the U.K. where it had full management control. An Iranian businessman also wanted to know what affect his Government's requirements would have on British investment decisions.

Mr. Hushang Ansary, the Iranian Minister of the Economy, replied that there was far more nervousness on this point among British companies than among prospective partners from other countries. What the Iranian Government sought, he explained, was an understanding that in return for a share in Iran's *fast-growing* market, a foreign partner should grant an Iranian company a share in its *own established market* abroad for as long as circumstances permitted.

He emphasised Iran's flexibility and added "We are not insisting hell and high water that the undertaking stands." But evidently with the example of Dunlop's reluctance to enter into such commitments in his mind, he warned that British companies could lose out to other foreign competitors. The Japanese company Yokohama are now building the tyre factory here in which Dunlop had earlier hoped to have a holding.

Another area of difficulty, and one that is likely to be explored further, is the training of skilled labour for joint venture projects. Lord Nelson of Stafford, chairman of General Electric, *implied some scepticism* about the Government's programme to train 600,000 workers during the next five years. *He* heard that the figure was *for* skilled and semi-skilled workers who would *mostly receive between four to* six months training. In answer to a question from another *British industrialist, Mr. Ansary* said that the Government would not be granting tax incen*tives to companies establishing* training schools but that a proportion of the expenditure would *be deductable from taxes.*

Mr. Ansary got some assurances from Sir St. John Elstub, chairman of Imperial Metal Industries which is currently negotiating with Iran on a joint venture project, that British companies would be prepared to train Iranians in the U.K. home company as this would further the interests of the joint group. Mr. Ansary was anxious as to whether Iran alone would be expected to carry out the training programmes for joint venture projects or whether there were available in Britain Government or privately-sponsored institutions ready to help. There will probably be separate inter-Governmental discussions as to whether more Iranian trainees can be admitted to British universities.

The Iranians got no assurances, however, over their fears of *exclusion from the EEC's* preferential tariff orbit. Nor were the British side able to *offer much comfort* over complaints that production here was held up by a shortage of compon*ents due to strikes in* Britain—a point raised by Mr. Kheradjou, managing director of the Indus*trial Mining and* Development Bank of Iran, the institution which has played the most *prominent part* in the development of joint ventures in Iran.

In a speech that won a great deal of applause from the British delegation for its frankness, he had some harsh words to say about the operations of international companies in developing countries. Too often had made a poor choice of local manager, or been to find the right man, or sent out a second- or third-choice.

He criticised some of as well for taking less interest the profitability of an enterprise abroad and in the sale of materials or components getting the assured income technical fees and royalties was not the basis, he implied a long-term stable relationship.

In question and answer sions, the British side have their fears set at rest the reply of Iranian officials how the present price operating here will affect pr They seem equally uneasy declarations of officials that exemptions of between ten years for industries outside Tehran would be tive from the start of production. Officials said that British panies should take up their individually with the Government departments they could carry forward against future profits.

On the other hand, they firm assurances over remittance of dividends reasonable assurances that Government would be flexible allowing joint ventures industries to import machinery capital equipment and ponents - when there shortages in Iran to ensure *fulfilment of a project* within reasonable period.

U.K. values S. African link

Financial Times Reporter

LORD DRUMALBYN, Minister *Without Portfolio, said yester*day that his recent visit to South Africa was intended to signify "that *Great Britain recognises* and appreciates South Africa as a trading partner of major importance with whom *we as a* country are most anxious to maintain close and friendly relations."

Speaking at a luncheon of the U.K.-South African Trade Association, he said: "I was aware before I went that there was concern in South Africa about the effect that our entry into the EEC could have there. I was also aware that there were doubts about Britain's morale and economy and about our ability to deliver the goods There was hardly a meeting or meal at which these doubts and worries were not voiced. I did my best to allay them. I pointed out that British goods are now highly competitive and that South African exports to this country are highly appreciated here and still doing very well this year. I do believe that the quality and seasonal advantages of South African produce are such that they will retain their market here

"We would very much welcome more visits from South African businessmen whether *in the public or the private* sector, so that they could see for themselves what we have to *offer to help them to develop* their country. In the course of the next few years South Africa *will be in the market for a* whole host of developments—for example coal mines, steel plant, electricity *generation,* radio and television services, exploration for under-sea oil and gas, textile *machinery,* sugar refining machinery, and land, sea and air transport.

"*It looks* as if 1973 will be a record year for U.K.-South African trade. Our exports are *25 per cent.* up *on* 1972 and our imports from South Africa have already exceeded the total for *any previous year."*

Swiss textile exports improve

BY JOHN WICKS

ZURICH, Nov.

IN THE light of a de facto revaluation of the Swiss Franc *of 30 per cent. or more,* Swiss textile exports have surprisingly been able to keep up and im*prove in the past months,* according to a recent statement by State Councillor Dr. Fritz *Honegger, Vice-President of the* Swiss Textile Chamber. Explaining this unexpected development, whereby *the country's foreign* sales of textiles and clothing have risen by over 10.5 per cent. *in the first 10 months of 1973* to £2,019.1m., Herr Honegger said that what he called the general *inflation mentality* and a connected "-consumption psychosis" had made it possible for exchange-rate disadvantages and rising costs to be compensated for by adjusted export prices.

He stressed, however, that there had been only a limited increase in exports after price weighting and there would not necessarily be a corresponding improvement in profits. The *competitiveness of the* textile industry would in future depend on a stable exchange-rate system and *costs not increasing faster* than abroad. Industry spokesmen fear there could be a sharp *fall in demand on world markets* in the future, with drastic results for Swiss producers.

Last year the United Kingdom was the most important single market for Swiss textiles and second only to Austria as a market for finished clothing. shareo f EEC markets in exports is expected to grow a result of the Swiss-Common Market free trade agreement

Retail price index up 32%

THE GENERAL index of prices rose by 32.5 per between June 16. 1970 October 16 this year, Mr. *Chichester-Clark,* Minister State, Employment, said written Parliamentary reply terday.

Newsprint price rise move opposed

BY A. H. HERMANN

THE INTENTION of leading German, Finnish and Swedish newsprint makers to increase prices for 1974 deliveries in Germany by 16 to 18 per cent. has met with *opposition from the* Federal Cartel Office in Berlin. The Office has started proceed*ings for suspected abuse of* dominant position against two German companies and against *German subsidiaries of Swedish* and Finnish suppliers of newsprint.

The Cartel Office takes the view that the present worldwide shortage of newsprint makes it possible to exploit the absence of any serious competi*tion and to ask for price in*creases far beyond what is justified by higher costs. The *Scandinavian producers in particular* have already benefited considerably from the revalua*tion of the D-mark.*

The German Cartel Office has a strong legal position in this matter because the Federal Court of Justice has ruled in similar situations that it is an abuse of market dominance to charge prices which are substantially higher than prices which could be obtained in the face of effective competition. The Office claims, moreover, that in the past newspaper publishers were able to resist all increases *in excess of genuine* increases dependent on costs and exchange rate fluctuations.

This is not the first attempt by the Cartel Office to break price fixing agreements in newsprint. In 1971 the Office succeeded in forcing the Swedish, Norwegian and Finnish newsprint makers to give up restrictive trade agreements regarding Germany. On that occasion the Cartel Office refrained from imposing fines as it could not prove that the Scandinavian companies were knowingly infringing the German Cartel Law. No defence could probably be accepted for the second time.

Japan hopes for higher TV exports

TOKYO, Nov. 27.

THE JAPANESE electronics industry hopes to increase its colour TV exports to Britain in 1974 to about 350,000 sets from 275,000 sets this year, the Electronics Industries Association of Japan said to-day.

Exports of monochrome TV sets to Britain are *also expected* to increase to more than 250,000 sets next year from 220,000 sets in 1973.

These are the figures recommended by Mr Noboru Yoshii, head of the *industry's delegation* which had just returned from London, to the Ministry of International Trade and Industry

The Ministry has the final authority to determine the levels *of export control under Japanese* law, it said.

Large Kama River order

BRIDGEPORT, Connecticut, Nov. 27.

A $20m contract for the *material handling systems* in the foundry at Russia's giant Kama River truck manufacturing complex *has* been awarded to Fata of Turin, Italy.

This order covers power-and-*free conveyors for the various* foundry production operations, including steel, aluminium and iron casting

Officials of Fata, a subsidiary of American Chain and Cable believe this to be the largest power-and-free conveyor contract ever awarded to a single supplier of such systems.

AP-DJ

U.S. urges support for dollar as surplus grows

BY PAUL LEWIS, U.S. EDITOR

WASHINGTON, Nov. 27.

IE NIXON Administration is w urging Europe and Japan preserve its burgeoning trade rplus by intervening to keep > dollar competitively valued world currency markets.

This was made clear by the S. Treasury Secretary, Mr. orge Shultz, in interviews th some U.S. newspapers to-y on his return to Washington er secret talks over the week-d with the French and German nance Ministers and the Chan-llor of the Exchequer, Mr. thony Barber.

At the same time, the Com-rce Department underscored rapid improvement in the S. balance of payments to-day releasing new figures which ow a substantial surplus on eign trade during October for second consecutive month.

On a seasonally adjusted basis, ports reached $6,432m. and ports $5,905m. to produce a rplus of $527.1m. Although s is smaller than the $873.3m. rplus recorded in September, brings the aggregate surplus the first 10 months of the year to $680.2m., compared with a deficit of $5,232m. during the comparable period of 1972.

The improvement in the U.S. balance of payments has already led to a marked strengthening of the dollar on international markets and it is now almost back to the rates established last February. What worries the U.S. Treasury, however, is the possibility that it will actually move higher next year thus blunting the competitive edge which American exports now enjoy.

At his meeting with other Western finance Ministers, Mr. Shultz said that he discussed this problem and put the case for some intervention by Europe and Japan to prevent the dollar appreciating unduly in terms of their own currencies. He pointed out that by intervening to hold the dollar somewhere near its current level, other countries would also be helping the cause of monetary reform by encouraging a reflow of dollars to the U.S. and thus reducing the overhang.

Nevertheless, by seeking European co-operation in stabilising the dollar in this way, the U.S. has given the Common Market countries something of a bargaining weapon in the monetary reform negotiations and the fact that the Treasury Secretary was not able to hint in his interview that any agreement had actually been reached, may suggest that some of the other countries are biding their time.

However, it seems that a curious reversal of roles is now underway, with the U.S. starting to favour a more fixed exchange rate system than it has tended to embrace in the past; while the Europeans see some of the advantages of greater flexibility. Already, at the OECD's last working party number three meeting a few weeks ago, Mr. Paul Volcker, Under-Secretary for Monetary Affairs, was urging other members to draw up new rules for floating that would prevent currencies from appreciating unreasonably as well as depreciating.

Oil crisis boosts America's small cars as motor sales fall

DETROIT, Nov. 27.

ALER SALES of new cars in U.S. fell about 4.2 per cent. the mid-November period, lecting prospective buyers' ntinued fears about the petrol ortage.

The fall in sales was almost tirely caused by plummeting ail sales of large, standard-ed cars, which are not so nomical on fuel as the small d subcompact models which ve been selling at a faster pace n earlier in the year.

Retail sales of new cars fell an estimated 259,000 between vember 11 and 20, compared th 260,683 a year earlier. here were eight selling days the period this year and last ar.) The total for the period is year is an estimate as nerican Motors is not heduled to report sales until esday.

Despite the sharp fall in sales standard-size cars, the estim-ed 4.2 per cent. drop in sales the mid-November period was t as steep as the decline in er recent periods. Sales of v home-produced cars fell 11.4 cent. in October and 11.2 per cent. in early November.

Analysts attributed the slowing of the decline to greatly increased sales of small and subcompact models, some of which, particularly subcompacts, had been in short supply in earlier periods.

The fact that total sales fell only about 4.2 per cent. in the period "merely confirms the strength of small cars." One analyst said. But analysts appeared uncertain whether the strength of the small-car sector reflected basic demand for cars or "panic" buying of small cars in the face of the petrol shortage.

AP-DJ

Banzer settles Bolivian political crisis

BY HUGH O'SHAUGHNESSY, LATIN AMERICA CORRESPONDENT

GENERAL Hugo Banzer, the Bolivian President has strengthened the military representation in the cabinet by appointing General Alberto Guzmán Suárez foreign minister. Twelve members of the old cabinet, all of whose members resigned en masse on Monday, were re-appointed. Sr. Raúl Leina Patiño of the Movimiento Nacionalista Revolucionario (MNR) is the mining and metallurgy minister in the incoming administration.

This week's political crisis appears to have been overcome for the moment.

General Banzer has generally maintained the balance in the cabinet between members of the MNR and the right wing Falange Socialista Boliviano (FSB). He has however "irrevocably" refused to stand in next year's general elections. He had been nominated as its presidential candidate by the FSB.

United Airlines to lay off 1,000 staff

By Guy de Jonquieres

NEW YORK, Nov. 27.

UNITED AIRLINES to-day led the industry in announcing a second tranche of cutbacks in its domestic flight schedules to meet the shortages of aviation fuel. The airline will cancel 100 more of its daily flights and will start laying-off immediately almost 1,000 pilots and cabin staff.

These measures, which will trim United's flight schedules by 9 per cent., will reduce its fuel consumption by a further 5.5 per cent. below the 1972 level. Earlier voluntary reductions undertaken in October have already cut consumption back to 10 per cent. below the 1972 level.

Nevertheless, still further retrenchments will be needed if the airline is to meet President Nixon's objective of lowering consumption to 80 per cent. of last year's level, and Mr. Edward G. Carlson, the airline's president, said that such measures are now being studied.

Mr. Carlson also questioned the widespread view that the flight cancellations will improve profitability. He said that operating savings will have to be weighed against rising fuel prices and the cost of servicing investments in idle aircraft. Moreover, he warned that passenger traffic may suffer from the effects of the energy crisis on overall economic growth.

The energy crisis has already resulted in a downward revision of United's traffic forecasts. Mr. Carlson said that the airline now expects that domestic traffic for the industry next year will stagnate, instead of growing by four per cent. as previously anticipated.

Mothballed

Mobil Oil announced that the shortages of available crude are forcing it to mothball its 47,000-barrel a day refinery in East Chicago, Illinois. Last week, Standard Oil of Indiana announced cutbacks in worldwide refinery operations for the same reasons.

The growing energy shortages, and fears of worse to come, are continuing to take their toll of the motor industry. New car sales during the 10 days up to November 20 slid another 4.2 per cent. while this is less than the declines in several of the weeks beforehand, it offers no encouragement to an industry that is looking with increasing concern towards the future.

In the face of these and other signs of industrial retrenchment, the U.S. Treasury is starting to tone down slightly its rosy assessments of the effects of the energy shortages.

Portugal is hoping for more U.S. support in its African troubles in return for having made available the Azores for flying arms to Israel.

An airlift deal with Lisbon

BY BRUCE LOUDON, LISBON CORRESPONDENT

THE HEAVY dependence of the U.S. on the Mid-Atlantic Portuguese Azores Islands in mounting the airlift to Israel during the Middle East War has brought about a marked shift of the American attitude towards Portugal's African policies. Seasoned Lisbon observers believed it could prove of major significance at least for the remainder of the Nixon Administration.

When Washington planned its airbridge, it soon found doors being closed in its face. Mr. Nixon's angry reaction to the non-co-operation of almost all the NATO countries is well-known. The single exception was Portugal, and even Americans in Lisbon will concede that without Lisbon's indulgence the airlift could not have been started on the scale and with the speed that was needed.

The U.S. Air Force has long occupied the big, one time British base at Lajes, on the island of Terceira, in the Portuguese Azores. For future negotiating reasons U.S. spokesmen, immediately before the Middle-East war tried to dismiss the importance of the base, and hinted that it was not really worth too much. With all other doors closed, Lajes almost overnight became pivotal in mounting the airlift. Without it Israel would not have received in time, the supplies she desperately needed.

There is an agreement covering normal use by the USAF of this base, but it has been the subject of much rancour in recent years, and it would have been a relatively easy matter for the Portuguese to adopt the same attitude as did the Spaniards. Instead, if diplomats in Lisbon are to be believed, the Minister for Foreign Affairs, Dr. Rui Patricio, guided principally by his astute, newly-installed Director of Political Affairs, Dr. Joao de Freitas Cruz, exploited the U.S.'s need to win compromises over Africa, Lisbon's top priority in foreign policy.

It should be said that Portugal is not pro-Israel, or anti-Arab ("just faithful to old alliances," as one Portuguese official, tongue-in-cheek, put it). In terms of relations with Black Africa it would have been expedient to give the thumbs down to the Azores airlift and make noises in support of the Arabs. Instead a different approach was adopted. As pieced together from reliable diplomatic and industry sources, the main concern here was over the consequences for future Arab oil supplies, particularly since Portugal has been getting more than about 90 per cent. of its oil from Arab countries, principally Iraq and Saudi Arabia.

Concerned

Though obviously concerned about the possibility of a boycott, which may already have been declared, Lisbon is remarkably calm about it. The restrictions it has introduced on fuel consumption are no more severe than those in other European countries. This comparative confidence is, almost certainly, a product of the airlift deal, according to reliable sources in Lisbon. Here it has to be recalled that Gulf Oil is, at present, exploiting the oil field off the Portuguese enclave of Cabinda, just north of Angola. Portugal may, in normal times, obtain, at the going world rate, some 50 per cent. of Cabinda's output of some 7.5m. tons of crude a year which, combined with about 1.5m. from the Petrangol field, gives the West African territory a total annual production of some 9m. tons of crude a year.

That is well in excess of the 6.5m. tons of crude and refined products which Portugal uses each year, but until now Angolan oil has supplied only about 10 per cent. of Metropolitan Portugal's needs. The Cabinda oil is high in wax content and low in sulphur, and unsuitable for the Lisbon refinery. Most of it goes to the U.S. and Canada. In times of war Portugal may pre-empt all of the Cabinda output, and what is clear is, that about the time of the beginning of the Middle East crisis Gulf executives were in Lisbon. They left after a few days with smiles reported all around.

Informed speculation is that as part of the Azores airlift deal the Cabinda oil is taken by the U.S. in direct exchange for crude that is more suitable for Lisbon's refinery needs. (This is already, to some extent, a requirement of the standing agreement between Gulf and the Portuguese Government.) Hence Lisbon's confidence despite the reported threat of a "total trade boycott" by Arab countries.

As regards the political aspects of the deal, about the time the airlift began Portugal was facing profound problems at the United Nations over the phantom Declaration of Independence by African guerillas of the "Republic of Guinea-Bissau." There was concern that the "declaration" could win approval at the UN, and even allow the insurgents to slip into UN membership with crushing effect on Portugal's African policies. There was particular concern in Lisbon about what Lisbon saw as Washington's weak attitude. Then suddenly, U.S. delegates were in the vanguard of opposition to African aims over Guinea-Bissau, sometimes being in a minority of few more than one in opposing admission of the rebel representatives, and indicating that if the matter reached the Security Council Washington would use its veto. Ambassador David Newsom, in charge of U.S. African policy, took a tough line even in Addis Ababa against the Guinea-Bissau declaration.

This is the most solid indication yet of a change of heart in Washington. There have been others. The Nixon Administration has reportedly asked Congress to kill an amendment to the Foreign Assistance Act that would turn into a law the 1961 Executive Order forbidding the use of U.S. arms in Portuguese Africa—difficult though this is since the amendment has already passed both Houses of Congress and is now in conference. The Portuguese are deeply troubled by this amendment.

Many U.S. legislators are reportedly to be torn between the amendment and their backing for Israel, which must take into account the continuing importance of the Azores in directly supporting Israel. In Lisbon's view the past few weeks have demonstrated very clearly that the Azores base is of critical strategic importance to the U.S., and must at all costs be maintained.

It is probably here that the biggest pay-off is going to be seen—in negotiations over the next few months about the renewal of the base agreement which expires in February. There is a change in Washington's sulky attitude of the past few months, which implied that the Azores base was no longer useful, and Portugal's arrogant "if you don't like it, get out" response.

Different

After the Israel airlift it is going to be very different in the new negotiations. Reports published in Washington recall the advent of sophisticated ground-to-air missiles being used by the insurgents in Guinea-Bissau. They cite intelligence accounts of deliveries to the FRELIMO in Mozambique of long-range Soviet rockets and other advanced weapons. The implication is that the U.S. will be asked to supply counter-weapons as part of the new deal.

The U.S. has been without an Ambassador in Lisbon for the past nine months. A new man, Stuart Nash Scott, is expected soon. In the view of most people here he is going to face a delicate time trying to balance 12 years of U.S. neutrality in Portugal's African wars and the ban on the use of U.S. weapons in Angola, Mozambique and Guinea-Bissau, with more important and electorally-popular interests in the Middle East.

Chile junta returning farms and factories to owners

BY HUGH O'SHAUGHNESSY, LATIN AMERICA CORRESPONDENT

THE CHILEAN military junta is going ahead rapidly to restore to their former owners farms and factories taken over by the state during the Allende Administration. Some 33 farms have been returned to private hands and others are expected to be handed back soon.

At the same time 18 peasant unions in the southern province of Bio-Bio have been dissolved by order of the local military commander allegedly because they were tainted with Marxism. The Chilean national peasant union confederation has complained that agricultural employers have been dismissing workers without due cause.

In the industrial sector CORFO, the state development corporation, has announced that 323 undertakings will eventually be returned to their former owners after having been requisitioned or managed by the state during the Allende period. Cobre Cerrillos and Indugas, copper and bottled gas plants, are among 88 which will be turned over in the next few days. CORFO has announced that strategic industries will not be returned to private ownership nor will those companies whose owners left the country.

EUROPEAN NEWS

Warning to Arabs on trade deals

By Reginald Dale

BRUSSELS, Nov. 27.

MR. IVAR NOERGAARD, Danish president of the Common Market's Council of Ministers, last night gave a clear warning to Arab countries that they may face difficulties in winning fresh trade and economic concessions from the Community if they continue to cut back oil ***suplies to Western Europe.***

Public opinion in the Common Market would find it difficult to understand if the Nine agreed on measures to help the Maghreb and other Mediterranean countries if the Arabs treated the community "like an enemy," Mr. Noergaard said. He was referring to new proposals for trade and co-operation agreements with Mediterranean countries, including Algeria, Morocco and Tunisia, which are *due to* be discussed by the council *here next week.*

The Nine's November 6 declaration on the Middle East, widely interpreted as pro-Arab, represented a balanced compromise, Mr. Noergaard told the Belgian foreign Press association. But nobody could be sure "where the balance will be next time." This would depend on how the overall situation developed.

Mr. Noergaard's statement *was the clearest warning yet by* a community representative that Common Market countries may be forced into some kind of economic reprisal if the oil cutback causes serious disruption in Western Europe. The Danish Minister's remarks follow last week's statement by Dr. Henry Kissinger, the U.S. Secretary of State, that Washington would have to decide what "countermeasures" were necessary if the oil shutdown continued indefinitely. The European Parliament in Strasbourg has also called for the study of possible sanctions against Arab countries if the oil supply situation deteriorates.

But although Mr. Noergaard is President of the Community Council, his remarks do not necessarily reflect the views of other Common Market governments. Denmark is one of the countries most affected by the oil boycott of Rotter*dam, has considerable pro-*Israeli sympathies, and faces a general election next Tuesday.

French evasive on Brandt 'joint energy front' plea

BY RUPERT CORNWELL

PARIS, Nov. 27.

FRANCE AND Germany to-day agreed to press for the meeting of the Common Market's Council of Ministers at the beginning of December to work out a method of consultation and mutual information between the Nine to cope with the growing international oil crisis.

However, at the end of the two-day summit meeting here France seemed as evasive as ever on the exact response it would *give to Chancellor* Brandt's ringing appeal last night for European solidarity in the face of the immediate emergency.

The French spokesman said afterwards that Paris "welcomed seriously" the call, but that caution *was* required *in* what was a very delicate situation. This somewhat ambiguous reply has disappointed the German side, who were hoping that the two days of talks here between Herr Brandt and President Pompidou could clear the way for a *significant advance in* European political co-operation.

On the energy crisis, the German spokesman explained to-day that the Chancellor had *not meant to suggest last night* that oil should start being re-routed from one country to another. *This was clearly pre*mature, given the lack of information on the relative positions of individual countries.

France, for its part, supported the need for a greater EEC solidarity in energy matters, but, in contrast to Germany, feels the present crisis should be treated as part of an overall European energy policy that looks as much to the medium- and long-term problems as it does to the short-term emergency.

It became clear, in fact, that Paris for the time being is prepared to do nothing that might endanger its privileged position as a recipient of Arab oil, which has *allowed it to escape any of* the restrictions introduced in other European countries. This was implicitly admitted by the German spokesman to-day, who stressed that the present situation called for much discretion.

In the longer term, France still appears *prepared only to bargain* her short-term co-operation in fighting the crisis against the Common Market's acceptance of the French idea of a joint energy policy—tightly controlled internal markets and a close rein on the international oil companies.

On *some of the other topics* that will be discussed at the Community summit in Copenhagen, equally scant progress appears to have been made. Bonn has accepted the French ides of more frequent summits, but is against a fixed timetable *of such meetings.*

They should not take over work that would normally be carried out by the existing bodies of the Community, nor should they interfere with its other forms of political co-operation. Summits, Herr Brandt argued, *should be called only to* give an impulse to the Common Market's work, not to paralyse its usual decision-making processes.

The problem of the Community's future uranium enrichment programme was discussed in detail between the two Foreign Ministers, Herr *Walter Scheel* and M. Michel Jobert. Both agreed that the two processes were "complementary," but the West German spokesman was guarded on how quickly Bonn would be able to give its answer to the Commission's compromise *suggestion of parallel* development of the rival methods.

France has already announced it will go ahead, alone if necessary, with the Eurodif-backed gaseous diffusion project.

The other major topic discussed over the past two days has been European defence co-operation. Not only was this examined at some length by M. Pompidou and Herr Brandt but the two Foreign Ministers *also devoted much time to it.*

Both sides clearly are concerned not to allow improved prospects for progress on this point to become bogged down in a dispute over the framework for further co-operation.

Although France favours extension of the role of the Western European Union, and Germany the NATO-linked Eurogroup, spokesmen for both heads of Government and the Foreign Ministers emphasised that neither side was being dogmatic *and Bonn* in particular, seemed to be flexible on the issue.

On other one-time stumbling blocks, the two sides are closer than for a long time. French and German spokesmen said there were "no problems" between the two sides on the *question of transition* to the second stage of EEC Economic and Monetary Union. Both favour a consolidation period to achieve the goals laid down for the one which theoretically comes to an end on December 31.

On regional policy, the French *President and his guest agreed* that the Fund should go ahead as planned on January 1, but *feel its resources should* be considerably smaller than Italy and Britain would like. Both also support the creation of an Accounts Committee to vet EEC *spending*, which has been subject to some embarrassing overruns recently.

COMMON MARKET

Inflation study singles out U.K.

BY ROBIN REEVES

BRUSSELS, Nov. 27.

THE EUROPEAN Commission's *latest economic report* singles out Britain and France as being particularly hard hit by soaring food prices.

Published here to-day, it says that since the end of the summer, the cost of living has, if anything, been rising faster again in a number of Community countries. Prices of in*dustrial products continued to* go up at much the same rate as previously owing to the persistent pressure of wage costs, and the rise in world market prices for raw materials.

Indications of a downturn in business confidence in the Common Market countries is contained in the report. Its business survey of Community industry shows that the number of Euro*pean businessmen who consider* they have "above normal" order books has fallen for the first time for more than 18 months.

The number of businessmen *who expect production to go up* has also fallen back further, as has the number who feel their *stocks of finished goods* are abnormally low. The survey was carried out before the development of the oil crisis.

It concludes that though in*creasing more* slowly, new orders still outpaced the expansion in internal supply, and the "lively growth" in private consumer expenditure continued in all Community countries.

On employment, the report says the seasonally-adjusted number of unfilled vacancies tended to go up further in all member countries except West Germany, where enterprises were cautious over recruiting additional manpower in view of the restrictive measures taken by the *Government and because of* expected slackening in business trend. But overall it suggests that lack of necessary skills now appears to be an impediment to any appreciable reduction in the number of unemployed in the Community.

New proposals for laws on sacking workers

BY LORELIES OLSLAGER

BRUSSELS, Nov. 27.

THE EUROPEAN Commission *has* modified its proposals for harmonising national laws on mass dismissals of workers, partly in order to meet some British, Irish and Danish objections.

The new proposals have gone to the Council of Ministers as part of the priority social action programme mapped out by Dr. *Patrick Hillery, Commissioner in* charge of social affairs.

The most important change is in the numerical criteria proposed by the Commission. Initially, it had asked for common procedures in case 10 or more workers were involved. Now it *says that common procedure* should be followed if five or more workers are to be dismissed within a period of one month, the exact number depending on the size of the enterprise.

The dismissals must be for reasons other than the individual behaviour of the workers concerned.

Under the Commission pro*posal, an employer must notify* the appropriate public authority of his plans, giving the reasons for the redundancies. Before doing that he must consult repre*sentatives of the workers to see* whether it is possible to reach an agreement. If no agreement *can be found, either side can ask* for mediation.

Under the old proposals, the mediator would have been the public authority but the new plan *says that mediation can also* be carried out by other bodies or persons. This is a concession to *the new member States who dis*like the idea of too closely involving public authorities.

But the Commission's new plan would still give the public authority the right to veto redundances.

U.K. renegotiation 'a false problem'

BY REGINALD DALE

BRUSSELS, Nov. 27.

A SUGGESTION by Mr. Ivar Noergaard, the Danish Minister for Common Market Affairs, that *Britain should be encouraged to* renegotiate the terms of EEC entry under a labour government drew a sharp retort from the Brussels Commission here *to-day.*

The Commission said it could not comment directly on Mr. *Noergaard's remarks*, but pointed out that any renegotiation of a treaty ratified by the member states would require the prior agreement of all nine countries.

The Community was "always in movement," the Commission stated. By this, it was understood to *mean* that the Community was in any case constantly adapting the original provisions of the Rome Treaty to changing conditions, and that *renegotiation was therefore a* "false problem."

Mr. Noergaard, who addressed the Belgian Foreign Press Association here last night, gave *one of the most sympathetic* responses so far from inside the Community to the Labour Party's plans to renegotiate the entry terms. He was speaking as a Danish Social Democrat Minister, facing general elections next week, but his remarks were given added weight by the fact that he is current President of the Common Market's Council of Ministers.

He said that as long as Mr. *Wilson's intention* was to renegotiate the entry conditions and not to pull out of the Community, he could not go against a Social Democrat colleague. "As long as that is his attitude, why not give him a chance, if he wins the election, to renegotiate the *conditions?*" Mr. Noergaard suggested.

FRANCE

Conte interview ban stirs new ORTF row

BY GILES MERRITT

PARIS, Nov. 27.

CENSORSHIP of French radio and TV to-day leapt back into the headlines as a hot political issue. For the first time in six *years the "Radioscopie" inter*view programme put out by ORTF's France-Inter service was muzzled last night only minutes before it was due to broadcast an hour-long interview with the ex-head of the ORTF, M. Arthur Conte.

M. Conte was sacked by President Pompidou just a month ago following an embarrassing row between the State-controlled ORTF and the Information Ministry over the Government's use of the broadcasting service to further its *own political ends.*

Both M. Conte and Informa*tion Minister M. Philippe* Malaud were removed from their positions after allegations of Governmental "financial blackmail" and "political *interference.*"

This week M. Conte is once again back in the news because he has just published his own account of the 16 months he *spent as head of ORTF. In a* 325-page book called "Free Men" he hits back at the regime by painting a series of unflattering portraits of senior *members* of the Government and even of M. Pompidou. He does not, however, cast much *light on the subject of censor*ship and interference, except to say that *every Friday* he secretly breakfasted with Prime Minister Pierre Messmer.

The Conte "memoires" are personally virulent but politically anodyne. Nevertheless, the chance of the ex-broadcasting boss coming out with some particularly damaging revelation during a 60-minute interview programme was enough for the ORTF—or the Government, the distinction is increasingly blurred—to clamp down with dramatic heavy-handedness.

Only minutes before "Radioscope" went on the air, its *link-man, M. Jacques Chancel,* announced to several million listeners: "*I find that* I am now obliged to devote the next hour to recorded music only. *I* was due to *welcome* M. Arthur Conte on the programme for what I personally considered a newsworthy interview now that his account of *his time as head of ORTF* has been published.

"But I have been asked to *invite M. Conte here at another* time, in a couple of weeks from now. For the first time since this interview programme began six years ago I shall therefore remain silent." At which point M. Chancel uttered just one more word: "music."

Strike halting construction projects

BY GILES MERRITT

PARIS, Nov. 27.

FRANCE's construction industry is now almost completely paralysed by the strike that has shut-down the bulk of the *country's cement* producing plants. As many as 2m. men in the building sector are estimated to be idle as a direct result of the cement workers' action.

Now into its 11th day, the cement dispute has reduced French cement output by at least 75 per cent. and there is little hope that the strike will be settled in the near future.

According to regional Press reports here, building and civil *engineering projects* are virtually halted. The stoppages appear to be nationwide.

The cement workers' bottleneck strike is largely over new pay agreements

The President of France's *National Association of Cement* Producers, M. Bailly, of Ciments Lafarge, has already emphasised that the employers since 1969 have been at pains to improve their employees' conditions under four separate agreements providing for higher wages, increased *job security, monthly* employment contracts and union recognition. The companies also point out that during the past year cement workers have received *an overall 10 per cent.* pay rise, while the official prices index so far has registered only *a 5.7 per cent. increase.* The cement workers' point, of course, is that inflation in France is currently at an annual rate for 1973 of 11 per cent. and expected to hit 12 per cent. next month.

Living cost index up 1.1%

By Rupert Cornwell

PARIS, Nov. 27.

TEN DAYS before the planned national strike in protest against rising prices, the French Government announced that the cost of living *index rose no less* than 1.1 per cent. in October—the biggest single monthly jump since January, 1969.

To make matters worse an even sharper rise is expected for this month, as the full effect of the recent oil price rises becomes felt.

EUROPEAN NEWS

Students freed in Greece; broadcast today by PM

ATHENS, Nov. 27.

:ECE'S new military regime ıy freed most of the 400 ents and young workers sted in Athens and Salonica r the recent riots which cost life of 12 people and left e than 200 wounded.

ıe revolt of the students and kers, quelled by the interven- of troops backed by tanks, nsidered to have precipitated demise of the dictatorship of ed President Papadopoulos.

ıe regime also freed several ıbers of the outlawed Greek ımunist Party detained after riots. They included Mr. ıetrios Partsalides, a member ıe party's central committee. ıe Greek Communist Party ıy sent a statement to ign newsmen asking for the rn of the armed forces to r barracks and the formation a Government of national y to draft a new democratic titution which would ruct any attempts at the establishment of a dictatorship.

Prime Minister Adamantios Androutsopoulos will make his policy statement on radio and television to-morrow night. He is expected to explain or provide some clue as to how and when the new regime plans to steer the country back to democratic rule.

President Phaedon Gizikis has said his regime will fulfil the pledge of the army revolution of April, 1967, to establish a sound democratic system. Observers here believe that the new regime will seek to establish some form of guided democracy with the army remaining the custodian of law and order to safeguard the country from further political upheavals.

The regime to-day continued to consolidate its position within the armed forces. The supreme council of the armed forces promoted seven major-generals to the rank of lieutenant-general and made two air commodores air vice-marshals.

A presidential decree sacked three senior air force officers for allegedly plotting to overthrow the regime. There was no explanation as to how they planned to do this.

Pollution rules for detergents

By Lorelies Olslager

BRUSSELS, Nov. 27.

THE EEC countries have agreed on common norms to control the polluting effects of detergents, the European Commission announced to-day.

Under a directive recently adopted by the Council of Ministers, detergents must on average be 90 per cent. destructable by natural micro-organisms, particularly in water.

Basques 'set fire' to club

BILBAO, Nov. 27.

HOODED AND armed men believed to be militant Basque separatists set fire to a crowded yacht club last night, police reported. It was the third attack in four years on the exclusive club, at Guecho on the Bay of Biscay, 18 miles outside this Basque industrial city. All are believed to have been carried out by the clandestine group known as ETA—Basque Homeland and Liberty.

The six raiders last night knocked out the doorman and forced 100 members and guests to lie on the floor while they set light to the wood-frame building. Everyone escape unhurt. Members of a West German trade mission were reported to be among the guests. Firemen brought the blaze under control before dawn.

From Madrid, it was reported that six Roman Catholic priests have been sent back to the special detention centre in western Spain where they staged a 13-day hunger strike.

The Justice Ministry said they were sent back yesterday to complete their sentences at Zamora —a jail for convicted clergy— after eight days of medical treatment at a Madrid maximum security prison.

The priests staged the hunger strike in Zamora earlier this month to demand to be moved to ordinary jails to serve their 10- to 50-year prison terms with other "political prisoners."

Reuter

EST GERMANY

Ruhr steel strike in balance

ıY ANDREW HARGRAVE

FRANKFURT, Nov. 27.

EL EMPLOYERS in the r this evening began con- ration of a reply to a threat ıdustrial action by leaders of)00 steelworkers. Yesterday Hans Mayr, deputy chair- of the metalworkers' union, e of a "threat to industrial e" unless the employers im- ed on their latest pay offer o-morrow afternoon.

ıis offer provided for an 11 cent. straight increase on a year basis or 9.9 per cent. 10 months, plus improved ıe benefits which would raise one-year offer to 13 per cent.

ıis was rejected by the nego- ırs and Herr Mayr warned a new, improved offer was the employers' "last chance" to avert a strike. It is expected that when the Ruhr wage committee meets to-morrow and if no satisfactory offer is received from the employers, a strike ballot may be called.

The two sides have already agreed that any new agreement would run from December 1, a month before the current agreement is due to expire. The outcome of the present negotiations —and it should be noted that the employers have not closed the door on an improved offer—may serve as a yardstick for the 4.3m. metalworkers in West Germany as well as a great many other industries.

Already the pattern of pay claims seems to suggest settlements a good deal higher than this year's 8.5 per cent. "norm." The leaders of 180,000 Post Office employees have foreshadowed a 15 per cent. claim while the metalworkers' union in Hessen has demanded a 17 per cent. rise for the 360,000 workers in the area.

A good deal of dissatisfaction among the 220,000 coal miners, evidenced by the three-day unofficial strike in the Saar in the autumn, has led the union to press for an advancement of the termination of its one-year agreement. The current agreement which provided for a 9.6 per cent. increase is due to run out on August 1, 1974, but the union wants to end it three months earlier.

Swiss to vote on controls

By John Wicks

ZURICH, Nov. 27.

SWITZERLAND is to vote on Sunday on whether to continue the Government's emergency anti-inflation programme, introduced by a set of Federal decrees in January.

In an obligatory constitutional referendum, the electorate will be called on to approve or reject four decrees covering price, wage and profit surveillance, credit restrictions, building restrictions and limits on fiscal depreciations. If it is accepted the programme could remain in force for up to another two years.

Government circles are nervous as to the outcome of the poll. Although approval seems more likely than rejection, referenda of this category have to tackle the double hurdle of a majority in the popular vote and a majority of cantons favouring the motion. In recent years, an important finance reform Bill has been thrown out because of opposition from over half the cantons.

Bonn achieves a small budget surplus

BY MALCOLM RUTHERFORD

BONN, Nov. 27.

E WEST GERMAN Govern- ıt achieved a small budget plus in the first nine months his year, partly as a result s decision to hold back some ding in the interests of omic stability. The Finance stry to-day reported Federal ding in the period of 3,100m.—just over 8 per , up on the first nine months 972, but below the 8.6 per . rise allowed by the get.

deral Government revenues rose by 11.8 per cent. to DM83,400m., largely because rising wages led to higher tax payments. The surplus compares with a deficit of DM2,400m. in the comparable period of last year.

'Germany's choice: stability or jobs. Page 19

The net Federal borrowing requirement was only DM300m. against DM3,800m. in January to September, 1972.

The Ministry also reported that DM2,900m had been frozen with the Bundesbank. Over DM2,000m. of this arose from the stability loan which has been raised in several tranches in the course of the year. Some DM600m. came from tax revenues which the Government chose not to spend.

Additional revenue from the 10 per cent. surcharge on high income and corporation taxes which went into effect in July has not yet been assessed. This too, however, is being frozen with the Bundesbank.

Brandt again postpones visit to Prague

Y OUR OWN CORRESPONDENT

PRAGUE, Nov. 27.

R WILLY BRANDT, West an Chancellor, was to have ed in Prague to-morrow to a treaty finally establishing matic relations between the ountries, but his on-off visit once again been postponed. matic sources here expect take place before the end e year.

hough November 28 was officially announced as the for the visit, officials were eting Herr Brandt's trip following agreement between the West German Foreign Minister Herr Scheel and the Russians over the interpretation of the Berlin agreement which has held up relations.

Then Prague, reportedly under East German pressure, refused to go along with the agreement worked out in Moscow even though it was later agreed upon during a meeting between West German and Czechoslovak negotiators here.

East Berlin was said to be intensely dissatisfied with the agreement which gave Bonn certain responsibilities for West Berlin which conflicted with the East German's view of Berlin as unconnected with West Germany.

The fact that officials still expect the visit to come off suggests that the new phase of negotiations is not in complete deadlock, though there is no indication what fresh compromise formula is being sought.

Italy moves to stiffen kidnap penalties

By Anthony Robinson

ROME, Nov. 27.

SIG. AMINTORE FANFANI, secretary of the Christian Democrat Party and the principal arbiter of Italian politics, has responded to growing public alarm over a spate of particularly vicious kidnappings by charging the leaders of his party in the Senate and Lower House with the task of preparing tougher penalties for this crime.

Kidnapping is a notorious Italian crime, particularly in the bandit-ridden areas of Sardinia

E DANISH ELECTION

Vhen welfare costs too much

BY HILARY BARNES, COPENHAGEN CORRESPONDENT

: proportional representa- ras introduced in Denmark 5 the work of the Folketing ren carried almost entirely 'our parties—the Social :rats; the Liberals, who ent the farmers; the Con- ıves, representing the business classes; and the ıls—also known as the Liberals — who fall ın the socialist and non- st groups. These four ; have been responsible he making of modern ık, creating the welfare and industrialising the y in the post-war era.

r parties have come into lketing from time to time. ı 1960 the fifth of the currently represented in lketing established itself Danish scene, the Socialist 's Party (SPP).

in the general election on ber 4 something extra- ry seems about to happen aditional party structure ıg to be shattered, and particularly the Social rats, which have always much the biggest, and the governing party, and ntly about to take a beat- ım which they will have lifficulty in recovering.

ın a few months two new have come into being n them they are likely to at least 25 per cent. of al vote. All five parties ly represented in the ne are in danger of losing but the Social Democrats, polls are anywhere near ect, will see their vote cut bout 37 per cent. in the ection to between 20 and cent. and their representa- om 70 seats to about 40

first of the new parties to was the Progress Party, a frankly Poujadiste party which advocates the abolition of income tax for all with incomes under D.Kr.60,000 (£4,000) a year and sweeping cuts in public sector employment and services. The party is led by a cheerful, rotund Copenhagen lawyer, Mr. Mogens Glistrup, who argues that with taxation accounting this year for 52 per cent. of the national income, the people have been robbed of the incentive to all forms of work other than the efforts to avoid fares, at which he himself says he is expert. The party was formed last winter and by the summer was obtaining up to 26 per cent. of voter support in the most reliable of the opinion polls.

The second new party, the Centre Democratic Party, was only formed this month. The founder was Mr. Erhard Jacobsen, a Social Democratic member of the Folketing who broke with his party and thus made the Government call a general election. He was disgusted with the Left-wing influence which had been foisted upon the Social Democrats by a Parliamentary situation in which the Government depended for its working majority on the support of the 17 members of the SPP. In ideological terms Jacobsen remains a Social Democrat, a supporter and admirer of the Welfare State, but with no time at all for the present leadership or its Left-wing leanings.

What seems to have happened is that the Welfare State has blown up in the face of the Social Democrats, the party which did most to create it. Not that anyone, with the possible exception of Mr Glistrup, wants to set about dismantling the Welfare State: people like the palatial schools, hospitals and libraries and the excellent social services of every kind. But they have reached the point of rebelling against the cost, especially if it means paying more income-tax where the marginal rates on very ordinary income are very high.

The Social Democrats appear to have lost touch seriously with the feelings and opinions of ordinary voters. In the past two years they have gone ahead with new, expensive social welfare reforms. The Prime Minister, Mr. Anker Joergensen, himself a former trade union chairman, has been met with marked lack of sympathy, even hostility. At one plant he turned on workers who complained about taxes and called out: "You're a lot of bloody egoists." It may be an open question whether this once great party of the workers still really represents them.

Another issue illustrating how far the party is out of touch is its scheme for "economic democracy," which was intended to give employees of privately owned companies eventual control of 50 per cent. of share capital. That was to be a great socialist step forward. But it met with a crushing lack of interest from the ordinary workers. The election and the likely consequences for the Social Democrats would seem to have killed this scheme for many years to come.

Another important factor in the general disillusionment which affects all the parties, and not only the Social Democrats, is the failure of the Government to get on top of the country's economic problems, partly the failure to control the growth of public spending, partly the problem of failure to control inflation.

If there was one event which more than any other sparked off the current reaction against the traditional parties it was a dramatic round of parliamentary negotiations in the spring which were supposed to be about public spending cuts. When the results were revealed to the public, the cuts were almost undetectable and the programme consisted mainly of a series of tax increases in one form or another, including plans to increase taxations for owner occupiers.

The Social Democrats had made a serious blunder, forgetting that the majority of their own supporters are home owners. It was in the weeks following this debacle that support for Mr. Glistrup began to soar. Mr. Jacobsen has also obtained much of his following by posing as the champion of the owner-occupiers.

The Centre Democrats are not aiming for office themselves. But they could be in the position of King-makers. Mr. Jacobsen has said that he would like to see a coalition of Social Democrats, Liberals and Conservatives representing all the main population groups and therefore strong enough to take tough action. In practice if the Social Democrats are to be persuaded to co-operate with one or other of the Right-wing parties, it would probably require the help of the Radicals, whose leader, Mr. Hilmar Baunsgaard, is strongly tipped to become Prime Minister again. He headed a Right-Centre coalition of Radicals, Conservatives, and Liberals from 1968 to 1971.

Whatever the Government, the problems facing it are enormous. Mr. Baunsgaard has said that if the coming Government cannot solve the country's economic problems, the crisis of confidence in the present political system of which the disillusionment with the old parties is the evidence, could become critical for the future existence of the system.

THE MIDDLE EAST AND OIL

THE ISRAEL-SYRIA FRONT

The freeze sets in

BY ROBERT GRAHAM ON THE GOLAN HEIGHTS

THE GOLAN Heights are a bleak place at this time of year. Winter has begun to set in. Temperatures at night will soon move below freezing point. Much of the time there is mist, rain, sleet and, around Mount Hermon, snow. Even on a clear day a biting wind sweeps across this barren plateau which is over 3,000 feet above sea level.

The contrast between the Heights and Sinai is total. The two most important factors on this front now determining the stability of the Arab-Israeli ceasefire are the weather and the nature of the terrain.

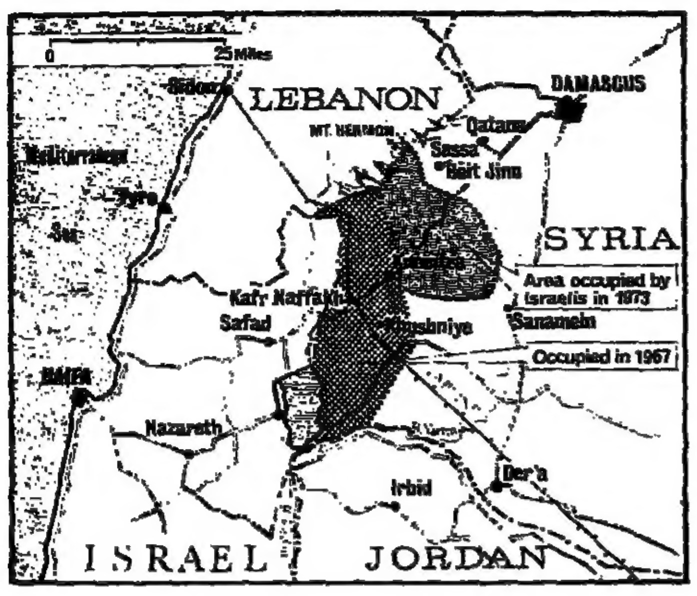
From the flanks of Mount Hermon, south as the crow flies, for over 20 miles the terrain tilts towards Damascus and the east. It undulates, slightly interspersed with a series of rounded hillocks. There is little vegetation apart from a few isolated trees and cultivated strips in wadis. As far as the eye can see the landscape is strewn with dark grey basaltic rock of all sizes which gives the landscape an ashen aspect. Only below Kuneitra does the landscape become softer and flatter.

A natural barrier

The rock is a natural tank barrier. It is brutally sharp, and tank treads cannot stand too much wear on it. This means that tank activity is severely restricted. It is made more difficult by the good cover in the rocky undulations which can be used to good effect either by infantry with anti-tank weapons, or in the case of the Syrians with their highly effective mechanised sugger missiles. Thus tanks are more or less restricted to the roads or tracks. Where this rocky terrain begins to disappear below Kuneitra, the soil is very heavy. Now that the rains have started the mud again renders major tank action difficult.

In fact it is interesting to see how the nature of the initial Syrian attack on October 6 was also dictated by the terrain.

The main Syrian armoured thrust came from the centre opposite Kuneitra and to the south. It seemed aimed initially at Kushniye and Kuneitra, the principal town in the Golan then held by the Syrians. Israeli sources admit that the deepest Syrian penetration was as far as Kafr Naffakh less than 10 miles from the key bridge over the River Jordan which connects the areas of Golan taken by Israel in 1967 with Israel proper. The Syrians, it is now freely admitted, did occupy all but a little of Kuneitra and were only pushed out on the night of October 8-9. The nature of the main Israeli counter offensive is to a large extent revealed by where it took place and the present positions now held. In the centre and south, where the Syrian armoured thrust was heaviest, the Israelis contented themselves with blunting the attack and pushing it back to the ceasefire lines. Being heavily outnumbered in tanks they preferred to strike north towards Damascus, where the combined weight of good artillery, airpower, infantry, and a relatively small tank force would be more effective.



Thus the Isareli positions now are rather like a pair of feet of which the left is inside Syria while the right remains behind, along the old 1967 ceasefire lines in the south. The Israeli penetration is on a jagged line running south from the heights of Mount Hermon through Beit Jinn, just below Sassa, reaching to a point six miles away from the main Damascus area road. It then runs parallel at this distance from the road for about 10 miles, from some three miles north of Ghabaghib to just above Sanamein. Then it cuts sharply, almost at right angles, back to a few miles below Kuneitra, before finally following more or less the 1967 ceasefire lines.

Turned around

The closest the Israelis came to Damascus is 23 miles. Within Syria they hold a number of important strategic positions which were part of the second Syrian line of defence. These include two new positions on Mount Hermon which overlook the road from Beit Jinn to Qatana, the main Syrian garrison town, and which also dominate the Arkoub area of Lebanon where the Palestinian guerillas are in strength. They also hold Beit Jinn itself which blocks a back route to Kuneitra. Finally they dominate one hillock just about two miles from Sassa and another to the right, thus controlling road movement from Damascus to Kuneitra via Sassa. All these positions, which formerly faced towards Israel are busily being turned around the other way. Certainly in winter they are positions which do not call for an inordinately large force to hold them, allowing the Israelis to concentrate their main attention in Sinai.

It is impossible to know what Israeli strength is and it is constantly changing. As for the Syrians, their strength, too, is hard to quantify. Where the Israelis are deepest, the Syrians are on their old third line of defence, but that need not mean too much, since virtually all the Syrian army is either on the Golan front or in the vicinity of Damascus. Meanwhile, the Iraqis and, more recently, the Jordanians have left the front. Thus it is mere a question of the current shape of the Syrian army when considering any potential outbreak of new hostilities. The Syrian fallback by all accounts was orderly. But their losses were heavy. The Israelis are understood to have collected so far a great many "workable" tanks, mostly T-55s, while even this week a cursory glance at the battlefield revealed the hulks of upwards of a hundred tanks. Only the other day two more T-55s in near-mint condition, fully armed and with fuel, were collected from a field. Therefore, even if such losses have been fully replaced, doubts must remain whether well-trained crews are available.

Against this it is clear that any large-scale action on the part of the Israelis would be costly. There are isolated incidents each day, almost exclusively in the Beit Jinn area below Mount Hermon where the line is a little "uneven." But the tensions which exist on the Sinai front are generally lacking here. The old UN observer force has moved back to some of its posts on the old ceasefire line and has established several new ones in the forward Israeli positions. On both sides there are now 92 UN observers. Isolated commando action by both sides cannot be ruled out, but most military observers are agreed that conditions are such as to rule out any major strike until the end of March, when the weather improves.

Keeping options open

If that is the case, then it has important consequences on the situation in Sinai and on the west bank of the Suez Canal. It means that if the Egyptians wished to reopen hostilities, they could only count on the Syrians for minor diversionary activity until March. In the meantime, given the situation on the ground in the Golan, it looks unlikely if there can be any real movement between the Syrians and the Israelis towards a disengagement of forces. This is so for two main reasons. Firstly, the difficulties of disengagement with the Egyptians will have to be resolved before anything else and this may not be concluded satisfactorily until well into next year. Secondly, the Syrians may wish to keep their options open—if only as a means of pressure—until the spring.

As for the Syrians' demand for an Israeli withdrawal before an exchange of prisoners takes place, it will continue to fall on deaf ears. It even looks as though it will be difficult to organise the return of some 15,000 Syrian villagers who left during the Israeli advance. That has been offered by the Israelis as a gesture of good will to help towards an exchange of prisoners. At present many houses in the villages have been taken over by the Israeli army which would presumably have to move into tents. In fact the only individuals happy about the present situation on Golan are the donkeys, who, tied up by their owners before leaving, have been liberated by the Israelis.

(This has been subject to military censorship.)

Oil for Danish industry cut 25%

COPENHAGEN, Nov. 27.

THE DANISH Government to-day ordered a 25 per cent. cut in oil deliveries to industry and a 20 per cent. cut in deliveries to the transport sector, including bus companies and the railways. Arrangements are being made to give dispensation to industrial companies which are heavily dependent on oil for the actual production process.

There is now general concern for the effects of the oil crisis on employment and production. The Minister of Labour, Mr. Erling Dinesen, has called in trade union and employers' leaders for a special meeting on the situation later this week. He told a Press conference that it might be necessary to ban immigration by foreign workers and suggested that firms which were in serious trouble because of lack of oil should consider introducing a four-day week rather than sack people. A special Cabinet committee to watch the effects of the crisis has been set up with Prime Minister Anker Joergensen at its head.

The Minister of Commerce, Mr. Erling Jensen, said that at the moment, on the basis of oil company reports, the Government estimated that stocks of fuel oil were adequate for 34 days and with expected deliveries in the near future stocks by the end of January would be adequate for a further 31 days. There was heating oil to-day for 59 days but by the end of January this would be down to 41 days, while petrol stocks were sufficient for 96 days now and another 85 days from the end of January.

The share market has responded negatively to the crisis, turning down last week and dropping four points to 100.8 on Monday. There were big falls in a number of leading issues, but in heavy trading to-day the market only fell slightly.

Russia steps up supplies to neighbours

By David Lascelles, East European Correspondent

ACCORDING to Moscow Radio, the Soviet Union is steadily increasing supplies of oil to Communist neighbours who are linked up to the Druzhba (Friendship) pipeline.

A Druzhba official stated that supplies to Czechoslovakia, Poland, Hungary and East Germany were currently 12 per cent. up on last year's levels and are running slightly ahead of schedule. He said the rise had been made possible by the addition of new capacity.

In spite of these increases Poland recently introduced measures to reduce fuel consumption, blaming the difficulty of obtaining supplies at the present time.

In Czechoslovakia car owners have been told that thanks to plentiful supplies of Soviet oil there would be no increases in petrol prices either this year or next. The country has been alive with rumours recently that the West's energy crisis would lead to cutbacks in supplies.

Arabs say EEC is target of anti-Israel policy

ALGIERS, Nov. 2

DIPLOMATS ATTENDING the Arab League's summit here are not concealing their determination to deliver a virtual ultimatum to Western Europe to stop supporting Israel or face an even tougher oil boycott.

In private and public statements Arab leaders make it clear that the European Community rather than the U.S. will be the main immediate target for their drive to isolate Israel because it is much more dependent on Arab oil than the Americans.

Simultaneously, the Arabs have singled out for criticism the only Communist Eastern European nation that still has relations with Israel — Romania, Arab diplomats said.

The maverick Bucharest regime of President Nicolae Ceausescu will be requested by the Arabs to break off diplomatic and economic relations with Israel, conference sources said.

A report drafted by the Arab Foreign Ministers specifically demands that European nations not only sever all their military and economic aid to Israel but lift their embargo on arms shipments to the Arab bloc, sources said.

The request is being formulated with an eye on preparations rushed by the nine European Community nations for their own summit on December 14-15. At the emergency conference in Copenhagen, the nine will study a better political cohesion to meet crises such as the Arab oil embargo.

Egypt said to-day it would allow no impediment to Middle East peace negotiations and if anyone threatened not to attend "that is their business."

The comment came from the Egyptian official spokesman at the Arab Summit conference, Mr. Tahsin Beshir, who added that peace talks could go side by side with the military talks between Egyptian and Israeli officers at Kilometre 101 on the Cairo-Suez road, if these had not finished in time.

According to Egyptian sources here, the Kilometre 101 talks have as good as reached agreement on withdrawal of forces of both sides to the October 22 ceasefire lines. But another subject—disengagement of forces so that they no longer confront each other directly—has still to be thrashed out.

Mr. Beshir was briefing journalists as the summit meeting went into a second day of secret sessions. His reference to the peace talks came when he was asked what would happen if Jordan refused to take part.

Jordan's claim that King Hussein is the only legal representative of Palestinians has pitted the Hashemite King against all the rest of the Arab leaders, who are giving the Palestine Liberation Organisation (PLO) leader, Mr. Yasser Arafat, the status of Palestinian representative.

Egypt is evidently satisfied with the way things have been going at the conference here. Mr. Beshir said that after intensive work by the foreign ministers the conference was to all intents and purposes over.

On the Arab oil squeeze, Mr. Beshir said, "We want to maintain good relations with all the world. We have no spirit of vengeance. There may be a yardstick of friends and enemies but we will not be drawing up any lists." UPI, Reuter

Japan may ask U.S., Britain to help ease supply pressure

BY CHARLES SMITH, FAR EAST EDITOR

TOKYO, Nov. 2

JAPAN may ask the U.K. and U.S. Governments to "intervene" with certain international oil companies in order to ensure a fair distribution to Japan of non-Arab oil.

This is the view of sources in the oil industry following what appears to be growing Japanese agitation about the effects on its oil supplies of the international companies' policy of distributing oil supply cuts equally between consuming countries.

Some sections of the Government feel that the policy of "equalising" cuts hits unfairly against countries, which, like Japan, are overwhelmingly dependent on imported oil for their energy supplies. There is also a fear that if the majors continue with their policy Japan's attempts to win more favourable treatment from Arab oil producers (through the adoption last week of a pro-Arab stance on the Palestine issue) could prove counter-productive.

The Japanese hope to be exempted from at least part of the Arab oil cuts as a reward for their new policy. But they fear that any reduction in the cuts on Arab oil supplies could be followed by increased diversion of non-Arab oil away from Japan by the international companies. At least one international major has admitted that this might be a "logical" consequence of the supply policy being followed by the oil companies.

Representatives of the seven majors which supply Japan were summoned to the Ministry of International Trade and Industry last week and asked not to discriminate against Japan in their allocation of oil. Several of the majors have apparently made the point to the Government that their role as arbiters in the allocation of supplies arises not from choice but from the failure of the Japanese and other Governments to agree on a formula for international oil sharing. But this has evidently not been enough to reassure Japanese authorities.

Japan gets about 80 per cent of its oil supplies from majors and roughly 60 per cent of its supplies originate in countries outside the Arab world. It is no secret that part of the Arab oil which would normally come to Japan has been diverted by the majors so as to minimise the effect of the Arab oil embargo against the U.S. and Netherlands.

RAID ON REFINERS

TOKYO, Nov. 2

THE FAIR Trade Commission to-day raided 13 oil refining companies including three foreign companies suspected of price collusion, a Commission spokesman said. Commission officials raided the Petroleum Federation of Japan to seek evidence that it had aranged cartels for maintaining prices and allocating volume of petroleum pro...

Italians search for loopholes

BY ANTHONY ROBINSON

ROME, Nov. 2

THE ITALIAN Government has now drawn up detailed plans to conserve fuel. These come into operation this Sunday with the prohibition of Sunday driving. As expected, the Government's fuel and planning experts have been faced with an avalanche of ingenious requests for exemptions—bishops seeking permission to tend the souls of their scattered flocks, civil servants conscious of the indispensable nature of their positions, outlying restauranteurs and hoteliers fearing financial disaster, and so on, as far as the inexhaustible limits of the Italian imagination.

But this time the new-found taste for Anglo-Saxon-type austerity and rigour, as favoured by the ascetic Treasury Minister Sig. Ugo la Malfa, appears to have prevailed and exemptions to the rule are few and precise. Vehicles in the active service of the armed forces, police, ambulance and fire services are of course excluded from the ban. So are milk lorries and motorised hearses (when loaded or about to be). Diplomats are also accorded dispensation from the rules, along with paralysed people in motorised wheelchairs and day shift workers, although the latter group are only permitted to travel straight to work and back along an approved route. Doctors, vets and midwives on duty will also be allowed to circulate within the limits of their practice.

OVERSEAS

Singapore stocks plummet

By Ilsa Sharp

SINGAPORE, Nov. 27.

THE SINGAPORE stock market continued the panic fall begun yesterday, dropping another 19.13 points to-day on top of yesterday's fall of 16.05 points, and forcing the stock exchange to take action to-night.

Late to-night, the exchange announced that all dealings must be done on an immediate delivery basis as from to-morrow.

This was obviously an attempt to curb the shortselling which, as one exchange source put it to-night, "is the catalyst to the plunge." Observers say the slump, which left the Straits Times industrial ordinary index at 297.38 to-night as opposed to 316.51 yesterday, has been triggered by pessimistic Singapore Government speeches predicting depression for Singapore as a result of the oil crisis.

The importance of the Government speeches can be gauged from the fact that the Singapore Straits Times inadvertently failed to send a gloomy speech made on Sunday by Dr. Goh Keng Swee, Singapore's Minister for Defence, to the Malaysian Straits Times for publication yesterday, with the result that the Malaysian exchange remained relatively steady, dropping only 4.73 points. On the publication of Dr. Goh's speech in the Malaysian paper to-day, however, the Malaysian exchange lost 14.94 points, finishing to-day with the Straits Times index at 312.57 (the two exchanges' index base years are identical as they split only this year).

The Malaysian exchange is still firmer than Singapore's however, reflecting its more secure position as far as oil supplies go. Optimistic mid-term reviews of the first Malaysia plan, have helped to boost market confidence in Kuala Lumpur.

● AP-DJ adds from Hong Kong: Strong selling pressure caused share prices to fall sharply across the board on the Hong Kong stock exchange in brisk trading. The Hang Seng index shed 32.03 points to 516.77

Chinese nervous over Brezhnev visit to India

BY OUR ASIA CORRESPONDENT

CHINA is watching carefully and suspiciously for the outcome of the visit of the Soviet leader, Mr. Leonid Brezhnev, to India. Peking is worried that the Kremlin wants to encircle China and will try to make a treaty with India which would advance this cause.

These fears were given some substance when UPI reported yesterday, from New Delhi, quoting Soviet sources, that Moscow was pressing for a military treaty among the Indian Ocean States to combat growing Chinese influence in the area. The report added that the sticky point of the Indo-Soviet talks would be the Soviet Union's wish for permanent port facilities for its navy.

India's Prime Minister, Mrs. Indira Gandhi, and Mr. Brezhnev met yesterday for a second round of talks. Mrs. Gandhi is likely to resist the Soviet pressures for a base because she values the country's claim to a non-aligned position in the world. At a banquet on Monday night she said that India believed in Asian co-operation "in as many forms as are freely agreed upon," which was taken as a reference to Soviet plans for an Asian collective security system.

Mrs. Gandhi also referred to differences between the Indian and Soviet political systems and said: "We neither wish, nor would it be possible in practice to travel the same road."

But Mr. Brezhnev is likely to try hard to use India's requests for military assistance as a lever to gain an Indian base.

China has not yet commented directly on the Soviet visit, but the New China News Agency yesterday cited dissatisfaction among some Indians about Mr. Brezhnev's scheme for a collective Asian security system and quoted a newspaper as saying that the Soviet Union's aim was "the containment of China, the same foreign policy aims of the U.S. about 17 or 18 years ago."

And in a commentary last week the agency spoke of Soviet ambitions in the Indian Ocean: "The Soviet revisionist renegade clique, inheriting the skills of the old-time Tsars and taking the road of gunboat diplomacy old-time imperialism, is stepping up its expansion towards the Indian Ocean," it claimed.

Pretoria reverses policy on foreign-owned banks

BY GRAHAM HATTON

JOHANNESBURGH, Nov.

IN AN APPARENT bid to bolster foreign investors' confidence in South Africa, Pretoria has reversed its policy towards foreign-controlled banks. The Finance Minister, Mr. Diederichs, has announced that while foreign-controlled banks will still be required to reduce their foreign shareholdings to 50 per cent. by 1983, they will no longer, as announced earlier this year, be forced to reduce them further to only 10 per cent.

The reversal was welcomed to-day by Barclays and Standard, the two largest banks in the country, both of which are foreign-controlled. Mr. Bill Passmore, managing director of the Standard Bank Investment Corporation, said "We welcome the decision of the government to reconsider the position of overseas shareholders in South African banks. Our parent company in London is quite prepared to see its shareholding reduced to a 50 per cent. participation over a period, provided this is done at a reasonable consideration. We feel that a policy of equal partnership will provide greater benefits to all concerned, especially now that South Africa is in need of international goodwill."

Mr. Frank Dolling, general manager of Barclays, said the decision would help his bank to plan for the future. With a foreign interest of only 10 per cent. the bank would have had no future at all. He added that the original announcement in May of the 10 per cent. requirement was received badly overseas.

Locally, the 10 per cent. requirement had been described by the Cape chamber of commerce as "a rather crude manifestation of economic nationalism at a time when neither the country nor its economy can afford to frighten off existing or potential investors."

KENYATTA ABSENT FROM CEREMONY

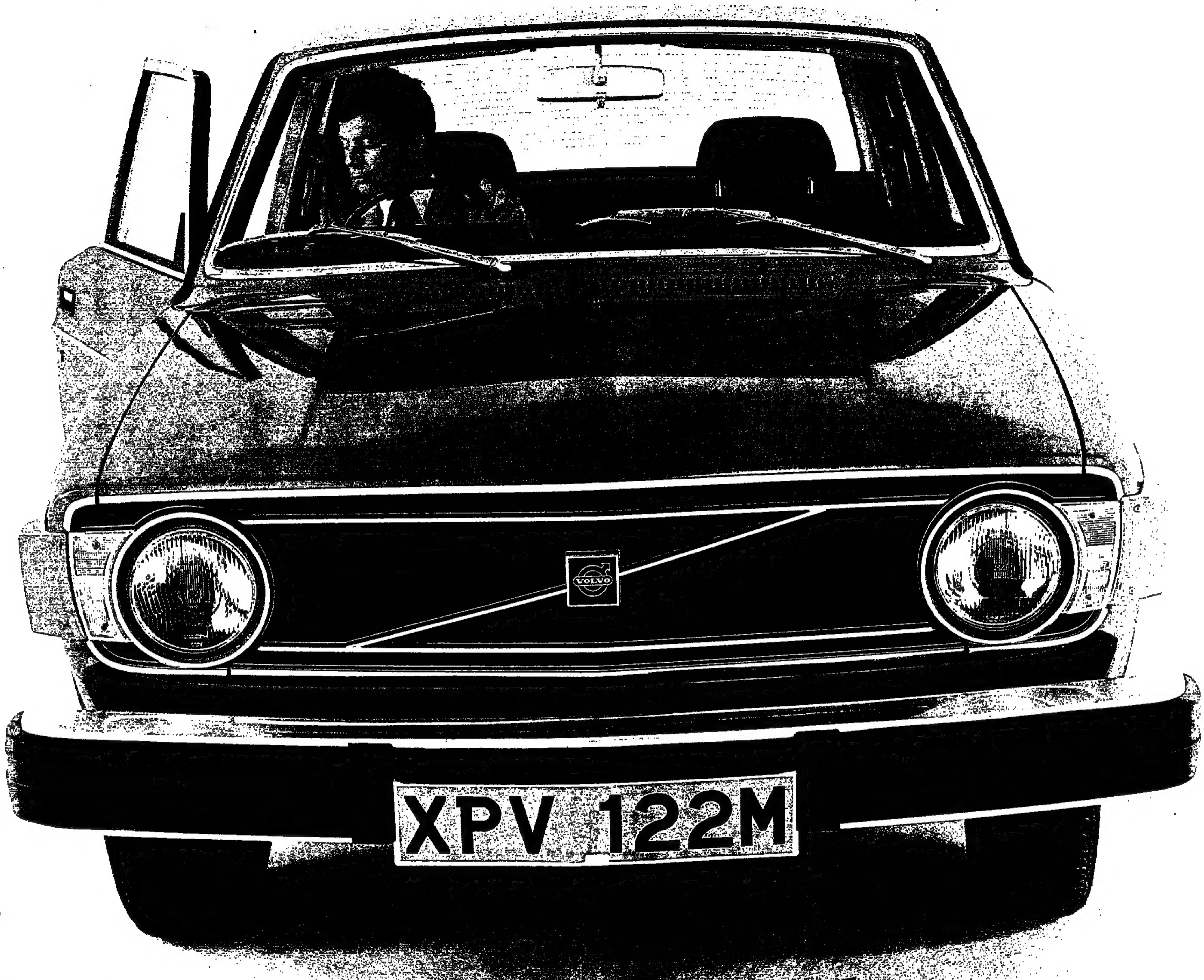
NAIROBI, Nov.

KENYA'S President, Kenyatta, did not appear in person to-day to perform the scheduled opening ceremony of the International Labour Organisation's regional conference in Nairobi.

His speech of welcome was read, at his command, by the Minister of State in the President's office, Mr. Mbiyu Koinange. No explanation was given to the 240 delegates.

Asked why President Kenyatta, who is 84, had not appeared, the head of the Presidential press unit said there would be no comment. Yesterday, President Kenyatta addressed a crowd at Nakuru and drove to Nairobi in the evening. Next month he will be the central figure at the 10th anniversary of Kenya's Independence.

The new Volvo 144.



Why nine out of ten new Volvo owners will stay Volvo owners.

Fact: When Volvo owners were asked: 'What will be the make of your next car?' Nine out of ten of them answered 'Volvo'.

There's every reason to believe the trend will continue, since this year, the new Volvo 144 is even better.

Little refinements, like shock absorbing front and rear bumpers (saving you the dents and expense that parking can cause), like a device to tell you if an exterior light has failed, like an indicator that nags you to wear your safety belt, make the 1974 Volvo even safer, even more economical to drive.

And this year the 144 has a fully collapsible steering column, with a wheel that aligns with the body on impact – one of the safest there is, on any car, at any price.

The Volvo 144 is not only utterly reliable – it's also built to last. A Swedish Government test proves the Volvo to outlast its competitors. Its life expectancy is more than 14 years – and that's in the Swedish climate! No wonder the 144 is guaranteed for a full twelve months – regardless of mileage.

But none of the Volvo's qualities would account for such exceptional loyalty unless the car were a joy to own and a joy to drive. Which indeed it is. Ask a man who drives one.

Did you know, for example, that the Volvo 144 has a unique ten-vent ventilation system for your comfort?

Get all the facts about the 144 from your local Volvo dealer. You'll find that for the money you're getting a very great deal indeed.

The Volvo 144 De Luxe Saloon costs from £2195·05. (Manufacturer's recommended retail price including VAT and special car tax).

Cut here

Please send me the facts

I would like to know more about the new Volvo 144. Please send me the Volvo Fact Kit which I can study at my leisure.

Name ______________________

Address ______________________

____

FT2811

VOLVO

For immediate information post to, or phone, Customer Relations Dept., Volvo Concessionaires Limited, Lex House, 370/386 High Road, Wembley, Middx. HA9 6AY. Telephone: 01-903 3611.

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● DATA PROCESSING

NCR goes for home base

AT LONG LAST, NCR has moved to exploit its large base (about 800 installations in the U.K. alone) of visible record computers of the NCR 500 series by bringing out the NCR Century 75, smallest member of the Century family and designed specifically to allow VRC users to move from ledger cards to magnetic file computing directly and without reprogramming.

Many market observers had been putting the question to NCR of when such a move was likely, but it appears to have been delayed because in the U.S. the tendency had been for VRC users in general simply to scrap ledger card machines after converting to a magnetic system of whatever make.

The move now recognises the value of a satisfied customer base.

Designed as a low cost computer for the small system user — the basic system price is only £29,900 — the NCR Century 75 allows the operator to retain the same control of operation using a keyboard and visual display unit. Though the ledger card system is replaced by a random access disc file, the visible record is retained by the ability to display any ledger record on the screen.

Century 75 uses the same software as other members of the Century range and the basic system is expansible to include on-line direct data entry and enquiry. It can be used to drive displays in adjacent or remote locations. When data is entered through a terminal the computer carries out all the user-specified checks and immediately reports errors which the operator can correct immediately. Only error-free data is accepted by the system.

Once data is fed in it is at once available for answering enquiries from the terminals to provide such information as turnover figures, outstanding orders, scheduled deliveries, stock levels and customer accounts.

Century 75 uses a similar central processor to the Century 150, providing 16,384 bytes of core memory with access speed of two bytes every 1.2 microseconds. One input/output trunk includes a scanner to access the lower speed peripherals and a high-speed trunk provides access to the disc unit.

Disc storage is made up of 4.9m. bytes on a fixed platter and a similar number of bytes on a removable platter. A punched card reader or punched tape reader, operator's console, input/output writer and 200 lines-per-minute printer are included. The basic hardware occupies only 25 square feet of floor space.

Applied systems covering the more common data processing needs such as payroll, sales ledger and purchase ledger, can be made available, apart from comprehensive basic software.

Conversion from the 500 is aided by a simulator which allows 500 system programs to run on the Century 75 without reprogramming. Additionally, NCR will convert ledger card files via disc to the Century 75, eliminating card or tape punching runs.

Improved stability eliminates mistakes

MANY OF the so-called "mysterious errors" attributed to computer malfunctions are usually caused by electrical disturbances in the mains supply feeding the computer. These irregularities and disturbances are often so transient that they are not detected by ordinary instruments, yet they cause the computer system to malfunction, consequently producing garbled storage, garbled print-outs and retrieval of information. With on-line real-time systems these errors are often not discovered, therefore the re-running of a program becomes necessary causing confusion and loss of valuable processing time.

With the present threat to power supplies and critical computer load requirements, Manufacturing Processes offers solid state mains stabilising and frequency conversion equipment for installation in the mains line feeding critical load equipment.

For instance IBM central processing units 370/168, 370/165 and certain other 370 and 360 systems require a 3-phase 441 Hz power supply. Conventional motor generator sets for the voltage and frequency conversion are normally offered with these but a new range of solid state voltage and frequency converters is available from MPL for all European users of this high frequency computer equipment.

The solid state converters offer performance greatly superior to the presently supplied motor generator sets, with low operational costs, high efficiency, reduced noise levels plus a proven high standard of reliability.

The converters measure 2 m high x 1.5 m wide x 0.9 m deep and weigh 1829 Kg, can be supplied to replace existing rotary converters, or, they can be supplied with the new computer. Furthermore the converters can be modified on site to full No-Break operation by the addition of the battery bank for the period of autonomy requested by the customer.

Further details from Manufacturing Processes, Belvedere Works, Pump Lane Ind. Est., Hayes, Middlesex.

Swingeing price cuts by DEC

PRICE reductions of up to 40 per cent. on its PDP-8 line of minicomputers have been announced by Digital Equipment Company. The new prices are effective immediately.

Typical reductions include the 16K PDP-8/m reduced by 40 per cent., the 8K PDP-8/m reduced by 25 per cent. and the 4K PDP-8/m reduced by 13 per cent. The new OEM prices for quantities of 100 are: 16K PDP-8/m, £1,715; 8K PDP/8m, £1,190; and 4K PDP-8/m, £1,056.

These major reductions have been made possible as a result of the expansion of PDP-8 production facilities which will now be concentrated in Galway, Ireland and Puerto Rico. In addition, increased efficiencies at the company's core stringing plant in Taiwan, which now employs more than 1,000 people, has made possible a reduction in cost of such sub-assemblies.

Digital's PDP-8 OEM business has more than doubled in the past year, and the 20,000th PDP-8 is due for shipment this month. Stimulating product demand has been a new model PDP-8, added this year, compatible with all current PDP-8s and featuring a new type of programmable read only memory (PROM).

The introduction of the PROM model offers the OEM a minimal machine with prices starting at £909 in quantities of 100.

Portable link for Europe

DACE (Data Control), the Richmond-based manufacturer of Datalink, have agreed with Cofirep, of Basle, to supply equipment worth £200,000 in the first year.

The pact gives the Swiss company exclusive German, Swiss and Italian marketing rights to Datalink and its associated products.

This is a British designed, developed and manufactured product intended for use in a wide range of applications including retail store check, medical records, field surveys, shop floor inspection, on-line product tests and process control.

The Datalink system features a 48-character alphanumeric touch keyboard with 0 to 9, A to Z, together with command and symbol keys. It has a twin-track "computer grade" standard cassette with a capacity of over 1m. bits/characters. For hard copy reference a 10-bit in-line simultaneous printout on pressure sensitive or thermal paper is provided.

Datalink has a 12-hour working life between battery recharge. Battery power is monitored, giving a visual flashing light warning when power drops to recharge level; this system also disables the keyboard. A period of five hours is required to "mains recharge" the battery.

● PRODUCTS

Glue with no problem

COMPLETELY new on the British market is a squeeze bottle of glue with a brush top the latter patented and not before marketed here, though it has been popular on the Continent for years. The glue itself is strong, colourless, sticks paper—even thin paper—without wrinkling, sticks polystyrene without damage, does not smell once it is dry and can be rubbed off the fingers while still wet leaving no trace or smell, so the licensees claim.

Euroanglia, of Leiston, Suffolk, is marketing Elephant Glue in the U.K. and Eire supplying wholesale direct to large firms and to the retail trade.

People tend not to use glue or gum when it would be the best method for a particular application because of the trouble needed to get it to flow properly, or of cleaning the hands.

The durable brush top squeeze bottle costs more to make than an ordinary tube or bottle, but there is a half litre refill bottle available from which the brush top bottle can be topped up again and again.

Euroanglia operates from Pettertree, Woodbridge, Suffolk, IP13 0HU.

Seats close up like drawers

IN A system of stadium seating recently introduced by the EMI Pathe Division and made by Hussey Manufacturing Company in the U.S., the concept of tiered seating is retained.

However, each tier is mounted on wheeled dollies so that it can be extended to form one row of successivly banked seating. Then, after use all of the tiers are pushed back into the main frame, the result resembling a chest of drawers in the closed state. The first of the new systems went into use recently when the Michael Sobell Sports Centre was opened at Islington.

When stacked the units may be moved easily, using suitable pallets, into storage areas, or can be positioned to surround or actually form a court or other area of play. Construction is in high tensile steel giving a totally enclosed deck which in addition to providing rigidity, guards against the loss of personal belongings and eases litter removal.

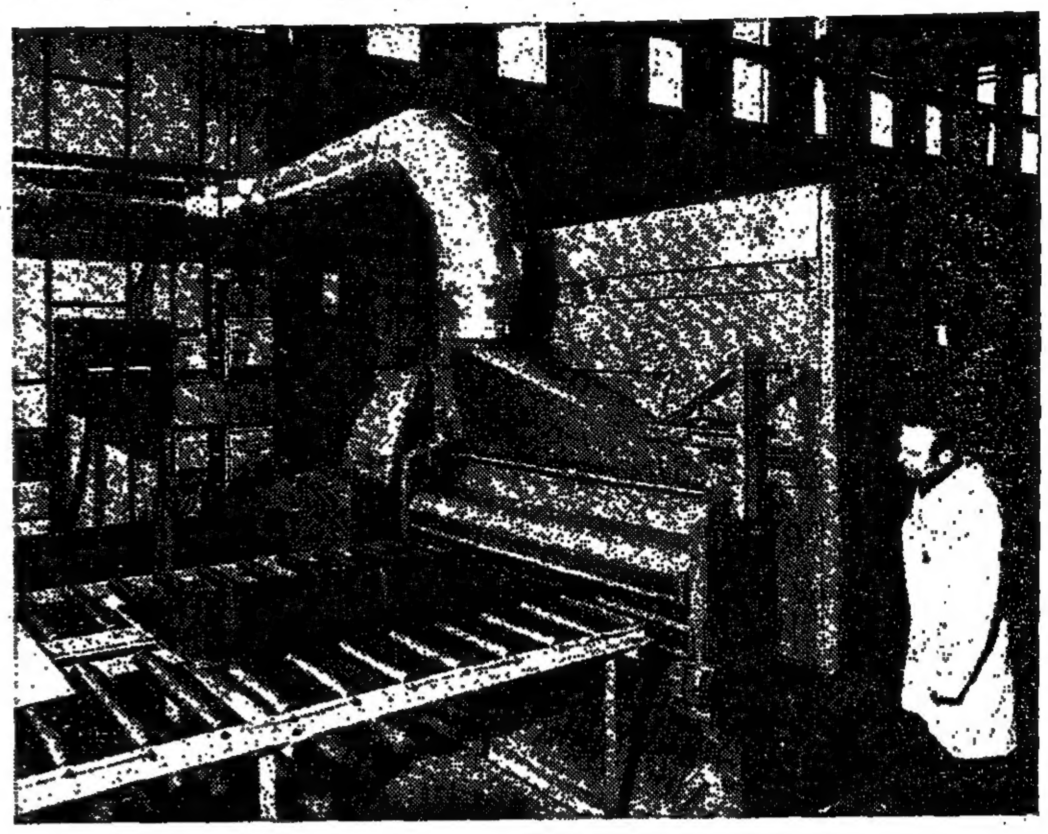
More low volt irons

AFTER BEING "caught on the hop" last year during power crises, Adcola Products says it has stepped up production of twelve volt soldering irons to meet potential demand - from industrial users likely to be affected this winter.

By powering their irons from conventional car batteries, manufacturers might find it pos[sible] to keep production lines g[oing] to meet urgent order req[uire]ments.

Last year, says Adcola number of users also insta[lled] generators producing 110 v[olts]. This winter, soldering tools operate from virtually all standard voltages will be av[ail]able.

Apart from taking a li[ttle] longer, three or four minutes heat up to operating tempera[ture], a single 12 V tool operate continuously around 15 hours from a battery. Adcola is at Ga[...] Road, London, S.W.4.



Acme polishing equipment recently install[ed] by Miles Druce Mulberr[y], the stainless steel sto[ck]holder and processor, its main centre in Ki[d]derminster is the fi[rst] machine of its kind to installed by a U.K. sto[ck]holder. It can polish sta[in]less steel sheet and pl[ate] up to 6ft. wide and to 500 kilos. in weig[ht]. An endless belt ty[pe] machine, it has pi[nch] roller reciprocating co[n]trol. Grit and dust removed by means Spencer/Halstead wa[ter] circulating extracti[on]. Standard finishes p[ro]duced include 80, 180 and 240 grit other finishes can polished to customer re[quire]ments. Maker, Acme Manufacturing Detroit.

● SAFETY

Timely fog warning

AUTOMATIC fog warning systems for road safety are being introduced to Britain by Harrison Instruments, a Movitex company. Units may be set up at susceptible sites such as in valleys, wooded areas and river bridges. Alternatively the system may be used for fog warning at airports and harbours.

The principle of operation is that a beam of modulated infra-red light is sent out, and then the proportion transmitted back into a detector after reflecting off fog particles is monitored.

On actuation the unit controls warning signals to be displayed on indicator signs seen by drivers one or two kilometers along the road or motorway. Two adjustable ranges are available so that a warning can be given when visibility is down, say to 150 metres and another, the more urgent warning, at say, 100 metres.

The use of frequency modulated light, made invisible through the use of red filters, is a major advantage because it prevents interference from ambient light.

Another feature is a switch-on/off delay of about 50 seconds, to ensure that false alarm signals are not given as a result of temporary smoke or vapour clouds.

In addition, the equipment available through Harrison Instruments includes a built-in paper tape printer to register the date and time of the start and end of fog.

Harrison Instruments is at 209 Lynchford Road, Farnborough, Hants.

Increased demand for high precision 1 inch cathode ray tubes, amongst the smallest yet to be manufactured, has led Ferranti Limited to reorganise its production facilities. These specialised high precision tubes will [no]w be produced in true b[ulk] quantities rather than special items. It is ho[ped] to build production levels to several hundred tubes [a] year. The 1 inch tube w[as] originally developed by F[er]ranti in response to a requ[ire]ment for a helmet-moun[ted] tube to project information to aircraft head-up displ[ays]. Applications have since be[en] found for the tube in o[ther] military optical syste[ms] including trainer/simulat[ors]. One of the most interest[ing] new fields for the produc[t] in photo typesetting, wh[ere] smaller and smaller hi[gh] precision tubes are now be[ing] used. The general pur[pose] miniature display tube 02[...] combines high brightness a[nd] high resolution with small s[ize] and weight. The tube, co[m]plete with deflection coil, encapsulated in a 26.5mm (1 inch) diameter mumet[al] shield to protect the tube fr[om] the influence of exter[nal] magnetic fields. Precis[ion] versions of the tube are ma[nu]factured to external locati[on] tolerances of within ± [...] microns. Flying leads for gun, final anode and deflectio[n] coil are brought out at the back. Alternative versions a[re] available, for example a [...] base can be provided in pl[ace] of rubber encapsulation.

Quick test for brake efficiency

GIRLING, the vehicle brake manufacturer, has recently commissioned a data-capture unit which is helping it to evaluate new brake designs much more accurately and in a very small fraction of the time taken previously. The equipment, by Digitronix of Stony Stratford, brings a new approach to the logging of data in this sector of the automotive industry.

At a recent meeting the system was introduced to senior engineers in the motor industry and now at least two British motor companies are actively considering buying similar Digitronix systems for their own car trials.

Super AL-8, developed for Girling, is mounted in a test vehicle and connected to transducers placed at various points in and around the brake units. As the driver applies the brakes, vehicle speed, deceleration, pedal displacement, pressure and temperature rise are all monitored simultaneously and automatically. The parameters are stored on a magnetic tape cassette. When the tests are complete, the cassette is replayed into a Hewlett Packard Model 20 programmable calculator which plots the results in graph form. This enables the brake efficiency to be read off and shows what is happening during each brake application. It will help to assess brake performance in greater detail and hence with greater accuracy under all running conditions.

Perhaps the most attractive features of the system for Girling engineers are the very short scanning times (9 points in 100 ms) and a system for storing up to 3Mbits of data on the tape cassette.

● ELECTRONICS

Broadband infra-red detector

A SENSITIVE triglycine sulphate (TGS) element forms the basis of the PSC 222 broadband infra-red detector just announced by Plessey's optoelectronics and microwave unit at Wood Burcote Way, Towcester, Northants. The whole unit consists of a TGS element, operating at room temperature, a low-noise field-effect transistor (FET) preamplifier and a standard operational amplifier and a standard operational amplifier output stage. The mechanical design makes the unit suitable for both industrial and scientific applications.

TGS is ferroelectric and charge appears on opposite face electrodes of the element, variations of which are detected as co[rres]ponding voltages by the h[igh] impedance FET amplifier. T[he] detector responds only [to] changes in the incident radia[tion] level, steady levels producing [no] output signal.

The signal to noise ratio [of] the device falls off only as t[he] square root of the freque[ncy] within the usable bandwidth.

The spectral response of PSC 222 has a lower limit of [...] microns set by the dete[ctor] material while the upper li[mit] is set by the window trans[mis]sion, the best window offe[red] giving 40 microns. The de[tec]tivity is 500 million at 10 Hz.

Likely applications inclu[de] infra-red spectroscopy, car[bon] dioxide laser monitoring, object detection in produ[ction] processes, scientific research a[nd] systems for intruder detecti[on]. The latter relies on the IR e[mis]sion of the intruder and therefore an entirely pass[ive] alarm which is not read[ily] detectable.

● TEXTILES

Better feel given to flameproof materials

A WIDER range of flameproofed cellulosic fabrics with acceptable handle and adequate abrasion resistance—that is the outcome of recent research at the Lambeg Industrial Research Association (LIRA) in Northern Ireland. This work, which involved modifying an existing commercial process, was carried out as part of LIRA's intensive programme on "non-flam" textiles, the need for which has been highlighted by tragic fires and impending legislation on a national and international basis.

If cellulosic materials are to remain viable in many situations where there is a real fire hazard, satisfactory flameproof finishing processes must be developed and perfected. However, as well as becoming flame resistant, the performance of the treated material as a textile must not be seriously impaired. LIRA found that none of the existing permanent flameproof finishing processes was completely satisfactory on linen or viscose rayon, as in all cases there was an unacceptable loss of desirable characteristics—in particular a decreased resistance to abrasion and a lack of handle.

LIRA studied the most promising of the commercial processes in detail to see if it could be adapted for a wider range of cellulosic fabrics than the cotton for which it was basically designed and for which it performs well. Modifications were developed and an improved process designed and applied to a range of commercial fabrics in the weight range normally associated with household furnishings, where the main interest lies. Using the LIRA modified process satisfactory results are obtained on linen, viscose rayon and cellulosic blends—achieving acceptable flameproof qualities yet retaining adequate resistance to abrasion and acceptable handle.

The finish shows good durability to laundering. As with other flameproof finishes of this type, household laundering can be carried out according to the conditions specified in HLCC process No. 4, and institutional laundering can be carried out at 70°C.

Lira is at Lambeg, Lisburn, County Antrim, Northern Ireland.

● OFFICE EQUIPMENT

Twelve digit machine

MERCHANT 12 is the name of a twelve digit desk-top calculator just announced by Addmaster Corporation (U.K.) of Mortimer Road, Mitcham, Surrey. The machine measures 9¼ x 6¼ x 2¼ inches and weighs 1 lb 12 oz.

The constant key allows any chosen number to be remembered for use in successive calculations, so eliminating repetitive re-entry. It is ideal for any form of currency or dimensi[on] conversions, interest calculati[ons] or repetitive costings. Repe[at] addition and subtraction is a[uto]matic and eliminates constant entry.

A choice of four fixed deci[mal] settings is offered—0, 2, 4 and [...]. All unnecessary decimals [are] eliminated and the calculator [...] automatically round off figures. With multiplication a[nd] division entries are unrestric[ted] by the setting chosen. Numb[ers] may therefore be used up to [the] full capacity of the displ[ay] whilst the answer will be ro[un]ded off to the decimal setti[ng] chosen.

Price is 49.50 plus VAT, w[ith] a one year guarantee.

Hastings and Thanet 9% savings scheme interest

Y MICHAEL CASSELL

ULAR INVESTORS with the ings and Thanet building ty will receive what is ved to be the highest rate of est offered by any of the r societies under a savings ne announced yesterday.

e society's new issue of gs share units will give stors a 9 per cent. net return eir money (12.85 per cent.), an increase of 1.5 per on the rate of interest ntly offered on ordinary sits. The highest comparable available to date on regular gs is thought to be 8.75 per net.

nouncing details of the ne, Mr. Eric Argent, general ger of the Hastings, said it d involve his society in an al loss of about £50,000 and this would be met out of its *ordinary working surplus.*

Mr. Argent said the scheme was not designed to attract a *large volume of funds but to* encourage potential house purchasers to embark on a pro-*gramme of regular savings.*

The minimum investment will be £1 a month, with the maxi-*mum set at £30.* Savers can vary their monthly subscriptions depending on personal circum-stances.

No penalty

According to the Hastings—13th largest society in the U.K.—the account can be built up on a monthly basis for up to five years or until it stands at £2,000, whichever comes first.

The society expects the scheme, *in its current form, to attract* about £4m.

Money held in savings share units *can be withdrawn at any* time without penalty and after the first year part withdrawals *in units of £1 may be made with* full interest to the date of the repayment.

Holders of the units, whose accounts have been maintained for one year, will be given *special consideration when a first* time mortgage is required.

The interest rate offered on the new issue could in future be varied to take account of pre-vailing interest levels, although the Hastings is hoping that the initial 9 per cent. will be kept "for a long time to come." Only 2,000 accounts will be catered for at first, although this figure could be expanded at a later date, if necessary.

Co-op pegs turkey prices

Financial Times Reporter

TURKEY PRICES, which are being investigated by the Price Commission, are to be pegged by the Co-op, Britain's largest butchers. The price will stay at 28p a pound during the pre-Christmas period.

The Co-op said yesterday that the move was aimed particularly *at people who might otherwise* have had to pay higher prices for smaller birds.

More rates relief for householders

NANCIAL TIMES REPORTER

SPECIAL grant paid to l authorities to enable seholders to be charged a r rate than other property upiers is to be increased by ecord amount next year.

his was confirmed after erday's meeting between Geoffrey Rippon, the ironment Secretary, and l council leaders, to fix the support grant for 1974-75.

er the new arrangements, domestic element in the it will go up from 6p in the pound to 10p in the pound from next April.

At this level, householders' rates relief will be equivalent *to a 20 per cent. de-rating of* domestic property. As a result, the average rise in domestic rate bills *next April* is expected to be less than the increase in earnings under Stage Three, an official statement claimed after the meeting.

Full details of the new grant arrangements will be announced in a White Paper early next month.

Collins completes first step of move

CHRIS BAUR, SCOTTISH CORRESPONDENT

GLASGOW, Nov. 27.

LINS, the publishing and ing company, to-day com-d the first phase of its £11m. amme to relocate its entire ish operations on the out-s of Glasgow.

e initial move has involved ferring the company's ery from existing outdated ises in the centre of Glas-to the new site, five miles at Bishopbriggs.

w buildings

rk has already started on buildings to accommodate ompany's printing works, 90 ent. of whose output is for s itself. The new printing s will be occupied early in

ring the same year a ware-complex to handle 26m. will be transferred. Finally, '6 a new office block will be leted, at a cost of £3m.

move follows the sale of mpany's existing Cathedral premises in Glasgow to clyde University, for £1.2m.

It will provide Collins with a 900,000-square-foot integrated production, distribution and editorial complex which it is claimed will be the most modern in Europe.

The company, with 1972 sales of over £18m, and already the largest independent book manufacturing and publishing concern in the U.K., expects to achieve significant savings in its annual production of 55m. books.

Care is being taken to hold together the existing 3,300 labour force—the company has so far organised 16 private bus routes for staff in the city, and is subsidising the extra public transport costs incurred by some employees.

The availability of large Government investment aids has been a significant factor in deciding the wholesale transfer out of Glasgow. Mr. David Nickson, Collins' managing director, said that when total Government assistance was deducted the ultimate net cost of the £11m. investment would be about £3.5m. to the company.

ction on vacant offices ot dropped—Ministry

JOE RENNISON

DEPARTMENT of the nment yesterday denied s Minister, Mr. Geoffrey , had abandoned plans for legislative action against ty developers who deliber-eave office blocks empty.

strategy against this ng was now concentrated ing the empty buildings per cent., and a *spokes-*r the department said it ought that this would be nt *inducement for* the ers to make sure that the were let as soon as e.

threat of legislation first rom Mr. Peter Walker in 1972, when he was Secre-r the Environment. Mr. said at the time that the e was intolerable, and no ment could let it con-

The department points out, however, *that Mr. Walker did not* specify at the time what kind of action he was thinking of taking. *The 100 per cent. rating,* to be introduced under the Local Government Finance Bill, should prove a *spur to lettings.*

It was emphasised, however, that the Government has not closed its mind to further action on the matter. If the present proposals produce no result there certainly could be further measures taken against the developers.

The threat of legislation was particularly aimed at the properties of Mr. Harry Hyams, whose 500,000 square feet Centre Point in London, along with other blocks, has never been let and has increased many times in value since it was built.

HTING BY ALEC BEILBY

olas trims single-handed iling time to Sydney

COLAS, the Frenchman iled the trimaran Pen V to victory and a new record in the 1972 single-trans-Atlantic race, has in Sydney aboard the acht, now named Manu-a *new record* time of 80 olas left northern France ember 8.

oyage, which has *clipped* off the existing single-record of 107 days set Francis Chichester was made as a good-natured to the organisers of the ad Round the World who refused to allow lled yachts to compete manned by a full crew.

igh Colas' time is impres-s unlikely to be faster overall time taken from uth to Sydney by the in the Round the World to took 43 days to Cape nd must reach Sydney December 15 to beat the lor

Colas has averaged 175 miles per day it has been reported that Eric Tabarly, former owner *of Colas' yacht,* was averaging 275 miles per day while making up for time lost when he put into Rio de Janeiro for repairs. Tabarly and his crew are expected in Sydney at the end of the first week of December and if they achieve this will have completed the distance from Cape Town, 6,700 miles, at an average of 225 miles per day or just over nine knots.

Apart from fearsome storms in the Southern Ocean, where two *of the Round* the World yachtsmen have already been lost overboard, Alain Colas was ill for *more than four days* when fumes from a faulty generator exhaust almost overcame him while he was asleep.

He intends to refit his yacht in Sydney and sail on round Cape Horn to *France in about a month,* leaving at approximately the same time as the racing fleet *leaves on the third* stage of the race to Rio.

PARTICIPATION AND BRITISH INDUSTRY

Macmillan criticises company anonymity

MR. MAURICE MACMILLAN, *Secretary for Employment,* criticised the anonymity of some large companies in a speech on *participation in industry at a* London conference yesterday.

"I think it is this anonymity that makes people suspicious of mergers, conglomerates and multi-national companies," said Mr. Macmillan, who was opening a Financial Times conference on Participation and British Industry at the Royal Lancaster Hotel, W.2.

Good old days

Mr. Macmillan said that not long ago a trade union member had told him he longed for the good old days when the gaffer ran his own business. The man had said, "You might hate the bloody boss, but at least you could see him."

Mr. Macmillan said the joint stock company had spread ownership among people at large. Directors of a company had a fundamental duty to safeguard *the interest of the owner* — but they also had a duty to discharge, on behalf of the owners, *their responsibility to manage-*ment, work people, consumers and society as a whole.

"*It may require us to look* again at company law," said the Minister.

The way to bring about participation in this country was to build on what had already been achieved in industry.

Mr. Macmillan said that consultation was a two-way affair, and it would place responsibility on workpeople as well as management for the decisions taken.

There were bound to be con-*flicts in industry, but there were* common interests between employers and employees.

As far as participation in man-*agement was concerned every-*one stood to gain—employers, employees, customers, consumers *and the community generally.*

He said there should be a greater sense of identification be-*tween employers and the organi-*sation for which they worked.

Professor William McCarthy, *Fellow of Nuffield College,* Oxford, said that, in common with a number of other people, *he felt the Government's move* in participation would be legislation to make the Code of Practice *on consultation in the Industrial* Relations Act mandatory.

Mr. Richard O'Brien, chairman *of the CBI's Employment Policy* Committee, said participation at Board level was likely to be ineffective and would probably not happen in Britain anyway.

Mr. Jack Peel, Director of Industrial Relations at the European Commission, said multi-national corporations were tending to push company decision-making outside the range of collective bargaining. This was the argument not only *for effective works councils but* worker participation at director level which, along with Govern-*ment control, would force greater* accountability of these organisations

Mr. Campbell Adamson, director-general of the CBI, called for immediate talks with the TUC.

"We hope that almost immediately we can start talks with the TUC, about how we can go forward on participation," he said. "I think for this reason it is a good thing that the Government Green Paper on participation has been delayed."

Mr. Adamson said the CBI was worried that if they went for *legislation too quickly that* legislation might be inflexible and not take into account the different situations in different *companies.*

The CBI had been studying the subject of participation over the past two years, and had decided that the idea of worker directors — two-tier Boards — would not be appropriate in this country.

He stressed, however, that this did not mean they had closed the book and were not interested in any links with the Board or how the employee could bring his influence to the Board.

Mr. Adamson said the CBI felt there was a need for the establishment of work councils throughout industry in all but the smallest firms.

Mr. Len Murray, general secretary of the TUC, said he willingly accepted the invitation to discuss this further with the CBI, "nay, even to bargain about it perhaps." In worker participation any distinction between consultation and bargaining was *self-imposed schizophrenia,* he said. There was no subject that was not susceptible to bargain-*ing.*

He added that the first step towards participation must be an *amendment to the section of the* Company Law that stated that Board decisions must be made in the best interests of the owners.

Mr. Murray said they wanted parity on the Boards because this flowed logically from the concept of collective bargaining. The outcome had to be agreement, something which both sides could live with.

Mr. Cyril Smith, MP for Rochdale and Liberal spokesman on industrial affairs, said the Liberal Party had been talking about worker participation since the 1920's and had prepared a detailed policy on it.

Mr. J. A. Peel

Liberal policy was that the Industrial Relations Act should *be replaced* by a comprehensive industrial framework rooted in a policy of co-partnership. The *first step would be a revision of* the Companies Act to make employees full members of their *companies with the same rights* and privileges as shareholders.

They wanted works councils in small companies and a two-tier Board in large companies.

Profit-sharing would also be introduced, he said.

Mr. Derek Walker, personnel *controller of the Rank Organisa-*tion, spoke of the benfits on participation and **M. J. J. Oechslin,** *of the Council National du* Patronat Francais, spoke on the views of French industry.

PARLIAMENT

FOREIGN COMPANIES INVESTING IN BRITAIN

Promise of 25,000 jobs

BY PHILIP RAWSTORNE

BRITAIN'S membership of the Common Market had been the prime reason for decisions by 140 foreign-owned companies this year to invest in projects here that would create 25,000 new jobs.

Coal and Steel Community funds, amounting to £7m. over the next five years, would be used among other things to aid redundant steelworkers and the families of victims of the Markham colliery disaster.

The handicapped would be helped from a claim on the Economic Community's Fund for £31m., of which £19m. had been virtually granted.

These were some of the benefits of Common Market membership that Mr. John Davies, the Minister for Europe, reported to the Commons yesterday.

"The EEC is an enormous enterprise in which we play a vital and important role. I think we should play that role with pride," he said.

Mr. Davies would not have earned much commission with his salesmanship, however.

Someone had asked the Prime Minister earlier whether the Commons was getting value for money from the Minister for Europe's activities.

The Community's progress had been little short of astonishing, Mr. Davies claimed—and illustrated it with a glowing account of the unified approach to the classification of wines.

He offered the Commons "a word" about the CAP: "It is common ground between us that it was not devised to meet our particular need."

A word about the regional policy: "The Government is looking forward with confidence to . . . a fund of substantial size."

A word about harmonisation: "Euro-bread or Euro-beer will not be pushed down the European throat on a like-it-or-lump-it basis."

At the end, the only response he could draw from the attentive Labour benches was a profound: "Ugh." Not much political return for a £90m. contribution to the EEC budget this year.

Some Labour pro-Marketeers did not need a sales talk, any more than the majority on the Conservative benches, to convince them either of the EEC's efficiency or the virtues of its products.

But Mr. Peter Shore, from the Opposition front bench, and the Tory anti-Marketeers remained visibly unimpressed.

Complacent and completely unconvincing—that was Mr. Short's verdict on Mr. Davies's report. Britain was in a crisis which, without overlooking even the Government's disastrous economic mismanagement, was largely due to EEC membership, he said.

Our visible trade with the EEC was running at a deficit of £1,200m. a year and, despite the Government's confidence, the country was not going to redress the balance with advantages either from the Regional Fund or the reform of the CAP.

Minister stays out of Press dispute

THE GOVERNMENT would not take sides in the current dispute between the National Union of Journalists and the Newspaper Society, Mr. Robert Chichester-Clark, Minister of State, Department of Employment, said.

The Minister said the NUJ and the Newspaper Society had so far been unable to agree to terms for a new pay settlement when the present agreement expired on December 31 this year.

Mr. David Clark (Lab., Colne Valley) asked the Minister if he was aware of the particular grievances of provincial journalists who were receiving little remuneration "compared with the general profitability of provincial newspapers."

Mr. Chichester-Clark replied that he had kept in close touch with the situation but, while negotiations were taking place, the question of conciliation did not arise.

Mr. Harold Walker, an opposition spokesman on employment, said the car of a picketing journalist in Sheffield had been severely damaged by repeated ramming from another vehicle which was delivering newspapers.

"Will the Government condemn violence in this way with, at least, as much vigour as it does when talking about people picketing?"

Mr. Chichester-Clark replied that the Government condemned violence of any sort, including this kind of violence.

Progress in EEC policies astonishing, says Davies

THE RATE of progress in Common Market policies had been "little short of astonishing," Mr. John Davies, the Chancellor of the Duchy of Lancaster, told the Commons in the debate on Community affairs.

He began by saying, however, that if the rate of progress which had been attained in the Community were to be that achieved within the development of policies of a single and old-established nation State, it would be reasonable to evince some disappointment.

"But in a new community, States with all their deeply ingrained habits and attitudes, and in circumstances where change can only be attained through consensus, the progress made has been little short of astonishing."

Mr. Davies gave the example of the classification of wines which "applies to a population of 200m. and achieves a unified approach after sometimes centuries of fragmentation."

Price sector

Speaking of the Common Agricultural Policy, he said, amid laughter on both sides of the House: "It is common ground between us that it was not devised to meet our particular needs.

"Nevertheless, both parties in their respective applications for membership, recognised that acceptance of its fundamental provision constituted a *sine qua non* of membership."

In fact, helpful provisions had been made this year to meet the problems of a floating pound with payments from community funds to safeguard the consumer against rising import prices.

There had been other aid in the price sector, especially in the case of butter. "Despite all the fears butter is cheaper to-day than it was a year ago."

Commenting on prices generally Mr. Davies said: "Devastating as has been the effect of world prices upon our living costs, certainly the cause does not lie in the Common Agricultural Policy."

Programme

It was the world market that had seen the "vertiginous price rise, which we would not have escaped had we never joined the Community.

The original estimate was that adapting to the CAP over six years would involve Britain in increases of food prices of about two per cent. a year.

There was no reason to change that estimate, although the figure since we joined was only about half that.

He described the Commission's proposals for alterations in the CAP to tackle some of its "less satisfactory" features as "pointed in the right direction. We will seek to ensure that this should not be a once-for-all effort but the first of a series of careful and sensible reappraisals."

Britain's share of the ECSC Funds should amount to about £7m. over the next five years.

This week-end, the Commission approved grants under this heading for those affected by the closure of Round Oak Steelworks; workers at Colsterworth Iron Ore Quarries; and for the families of the victims of the mining disaster at Merkham mine, Dickmanton, Derbyshire, on July 30.

Mr. Davies said the framework for a programme for industrial policy was expected to come before the Council next week. It was an orderly and attainable programme. He went on to say that there was no question of harmonisation for harmonisation's sake.

"Euro-beer or Euro-bread will not be pushed down the European throat on a like it, or lump it, basis. A community in which everything is either obligatory or forbidden is neither our aim nor our desire.

On energy policy, Mr. Davies said there was a will to find common objectives and common methods of attaining them. But the scene was changing so rapidly, and with such unpredictable effect, as to make the adoption of common policies extremely difficult.

Speaking of how the Community budget affected Britain, he said the net result for 1973 looked like being a cost of about £90m.—somewhat greater than the £65m. estimate, at 1972 prices, in last year's Public Expenditure White Paper, but less than the original 1971 estimate.

The 1974 figure looked like turning out less, if anything, in net terms in 1973.

The European Commission had forecast that Britain's economic growth this year would be the highest of any country in the enlarged community. Manufacturing investment was expected to rise by 6 per cent. this year and 15 per cent. in 1974.

Summit

On inward investment, Mr. Davies said the Government know of 140 foreign-owned companies which had decided on new projects or the expansion of existing ones in this country. These expansions involved the creation of about 25,000 jobs.

There was plenty of evidence of these developments. He had visited a number of development areas and the messages he had received were encouraging.

After referring to the British objective of a single basis of association for Commonwealth countries concerned, Mr. Davies said a special and dominating issue, involved sugar.

We had given our word that a home for 1.4m. tons of raw cane suggar would be found in the Community "and to that word we adhere."

Referring to the Heads of State and Government meeting in Copenhagen shortly for a new type of Summit meeting, he said it would be the first of more regular meetings, designed to give Community affairs more political and economic impetus.

The Community was moving steadily forward as the world's largest trading unit, handling 40 per cent. of global trade and absorbing twice as much of the developing world's goods as the U.S.

Mr. Peter Shore, Opposition Common Market spokesman said the debate had opened in a depressing way, against a background of crisis both in Britain and inside the Community.

MPs and the public had not realised the serious impact on Britain that membership of the EEC had caused.

The trade deficit in the 10 months since Britain joined the Community could be described as "disastrous." The figure of £942m. would rise to £1,200m. by the end of the year, compared with £499m. in 1972, £180m. in 1971 and £19m. in 1970.

Company accounts chairman

MR. FRANCIS SANDILANDS, former chairman of the British Insurance Association, will chair the committee on inflation and company accounts, Mr. Peter Walker, Trade and Industry Secretary, announced.

He told Mr. Michael Shaw (C., Scarborough and Whitby) in a Commons written reply that the committee—it was announced in July—would consider how company accounts should allow for changes in costs and prices.

The committee would take into account investment and other management decisions and the efficiency of companies generally; the need to restrain inflation in the U.K.; and the requirements of investors, creditors, employees, Government and the public for information.

It would also consider any implication for the taxation of the profits and capital gains of companies, and procedures in other countries, particularly the EEC.

Mr. Walker recalled that on July 25 he had announced he would set up an independent committee "to consider the various methods of adjusting company accounts to reflect changes in costs and prices."

Mr. Sandilands is chairman of Commercial Union Assurance.

Ministers' 64 cars

THERE WERE 64 Government Car Service cars at present at the disposal of Ministers — individually or on the basis of shared use, said Mr. Reginald Eyre, Environment Under-Secretary.

He told Mr. Jo Grimond (L. Orkney and Shetland) in a written reply that ten years ago, a total of some 50 cars were available—"as far as could be deduced from the limited 1963/64 records available."

Heath refuses to become embroiled in Labour storm over Donaldson

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

THE OPPOSITION onslaught against Sir John Donaldson, President of the National Industrial Relations Court, reached a new dimension—and one that was clearly embarrassing for the Government—when a further row exploded in the Commons over a speech made by Sir John the previous night.

With Mr. Edward Heath, the Prime Minister, refusing to become embroiled in the issue, Opposition MPs led by Mr. Harold Wilson claimed that the speech had raised serious constitutional issues involving Parliament and the responsibilities of judges.

The speech which roused this storm was one in which Sir John had replied to allegations that the NIRC had shown "political bias" when it caused £100,000 to be sequestered from the political fund of the Amalgamated Union of Engineering Workers.

Mr. Heath protested that the Government could not be responsible for the utterances of judges inside or outside the High Court.

But although he defended Sir John as having made only a factual statement intended to clear up misunderstandings, the Prime Minister acquiesced to continued pressure and agreed to a demand from Mr. Wilson for further consideration of the matter.

Mr. Heath: "Of course, I am prepared to consider the matter and ask for further advice about it. I maintain that if Parliament wishes to take action on these matters, the procedure is laid down. It is a constitutional procedure. It is not one for the Government."

Findings

Mr. Wilson, who had asked the Prime Minister to inform the House of his findings, pressed him to say if he was not concerned at all for the long-standing convention which had protected Parliament from outside interference.

The issue which had loomed over the whole of question-time, broke into noisy calls for the sacking of Sir John when Mr. Heath made his question-time appearance.

Left-winger Mr. Stanley Orme (Lab., Salford W.), demanded of the Prime Minister: "When the Industrial Relations Bill became law, did you envisage that the President of the Court would go and make public statements regarding the judgements passed in that court?"

Mr. Maurice Macmillan

This was a reference to Sir John's speech of the night before in which he said at a dinner in Glasgow that he aimed at "setting the record straight" and explained how the AUEW's £100,000 had been sequestered.

"Is it going to become a normal practice whereby High Court judges can go outside their court and criticise decisions still open to appeal?" Mr. Orme wanted to know, amid noisy backing from the Labour benches.

Mr. Heath retorted: "As Prime Minister I cannot be responsible for the utterances of Her Majesty's judges either inside or outside the High Court. They, themselves, must take responsibility for it.

Factual

"I understand, in fact, the judge made a factual statement in order that there should be no misunderstanding about actions which followed his judgment," the Prime Minister added.

From the Opposition front bench, Mr. Reginald Prentice, "shadow" Minister for Employment, maintained that there was gross impropriety in the seizure of part of the political funds of the AUEW.

This money had been subscribed voluntarily and separately by union members and had been intended for purely political purposes, said Mr. Prentice. He held that the sequestration of the £100,000 was a "very serious constitutional development" about which the Government should make a statement.

Mr. Heath said he was not prepared to make a statement on such a question. Clear procedures were laid down for the courts to follow. It was their responsibility to follow them and not that of the Government.

The exchanges closed with Mr. Wilson's intervention and the Prime Minister's undertaking that the matter would receive further consideration.

Earlier, Mr. Maurice Macmillan, Secretary for Employment, also faced a barrage of hostile questions over Sir John and the NIRC's decisions affecting the AUEW.

It was time the Government came forward with constructive proposals for reforming the Industrial Relations Act, Labour MPs maintained.

Both Mr. Heath and Mr. Macmillan stressed that they had made clear the Government's willingness to consider any constructive suggestions for amending the Act as soon as they were put forward by the Unions.

But although the Government had no proposals at present for changes, it was intended, as already announced, to reduce the qualifying period for "unfair dismissal" from two years to one year, Mr. Macmillan said.

He was also about to start consultations on the further development of the requirement in the Act on disclosures of information, he indicated.

Pollution—the wicked godmother

POLLUTION WAS a wicked godmother lurking among the huge benefits brought by the process of industrialisation, Lord Windlesham, Leader of the Lords, told Peers.

He was speaking during the Second Reading debate on the Protection of the Environment Bill, which brings in controls on most forms of pollution.

An Opposition spokesman, Baroness White, said: "We have largely conquered fog and smog, but if we think our air is really clean I would welcome any peer to my flat to breakfast any morning in order to examine the coating of black smutty dirt about the place.

"This flat is within full sight of the Department of the Environment and within reach of occasionally very dark emissions from its own heating plant.

"In fairness, the source of the dirt may be elsewhere but the price of cleanliness is indeed eternal vigilance."

The Bill deals with problems of waste on land, pollution of water and the atmosphere, and noise nuisance.

It increases penalties for a large number of pollution offences and covers the whole of Britain and, partly, Northern Ireland.

Lord Windlesham said local authorities did not only handle the contents of the domestic dustbins, but the types of waste that occurred in industry, some dangerous and even potentially lethal.

There was an important role for the private sector in dealing with industrial waste. "Waste, whatever its origin, must be disposed of in such a way as not to endanger the environment."

Lord Windlesham said the proposals in the Bill for the abatement of noise covered such things as "pop" music festivals.

"The time is overdue when we should recognise noise as a form of pollution and make a genuine effort to establish some basic principles to control or reduce the intervention of noise into our lives."

The Bill operated on the basis of "the polluter pays." The cost of abating pollution would be the responsibility of those causing it.

Calling for effort from the whole community, Lord Windlesham said: "In this task informed public opinion, steering a course between the twin perils of sensationalism and prophecies of doom, and complacency and indifference, is an essential element for the necessary change in public attitudes.

Immigrant school children

COLLECTION OF statistics of immigrant school children is to be dropped, Mrs. Margaret Thatcher, Education and Science Secretary, announced in a written reply.

She told Mr. Joseph Kinsey (C., Perry Barr, Birmingham) she had accepted the recommendation of the Select Committee on Race Relations on this point.

The return that would otherwise have been made next January would not now be required, Mrs. Thatcher added.

She was giving careful consideration to the committee's report generally.

"But I take this opportunity of affirming that the aim of the education service is to meet the educational needs of immigrants as of other children, with particular emphasis on their language needs, where appropriate."

Howell hits at Jenkin 'threat'

MR. DENNIS Howell, Labour local government spokesman, attacked Mr. Patrick Jenkin, Treasury Chief Secretary, for a speech made last Thursday to county treasurers. Mr. Howell said the Minister had implied serious Government action if local authorities failed to cut expenditure.

"I can hardly think of a more threatening speech," Mr. Howell told MPs examining the Local Government Bill in committee. "He was saying local government expenditure has to be cut back—or else."

Mr. Howell particularly objected to Mr. Jenkin saying that failure to peg spending would call into question the continuation of the present system of local autonomy over current expenditure.

Mr. Graham Page, Minister for Local Government and Development, denied the speech was a threat. "He was pointing out to local authorities that central government had restricted public expenditure and that it is right to ask local authorities to exercise the same sort of restraint."

'Re-think' on film society advertising

THE GOVERNMENT is reconsidering a proposal to curb advertising by genuine film societies and clubs.

The proposal—in the Cinematograph and Indecent Displays Bill—would enable local councils to control shows, if they were publicly advertised and a charge was made for admission.

Mr. Mark Carlisle, Home Office Minister of State, agreed at the Commons standing committee on the Bill to withdraw the proposal from the Bill and look again to see whether it was justified in the light of representation from film societies.

The committee adjourned until to-morrow.

Fewer miners

IN THE 13 weeks ended October 27, 11,652 men left the coal-mining industry, Mr. Peter Emery, Under-Secretary for Industry, stated.

During the same time, there were 4,636 recruits, giving a net reduction of 7,016 men. There were also 2,650 job losses due to five pit closures.

Clyde engineering shop stewards to decide pay tactics

BY OUR LABOUR REPORTER

THE FIRST threat of a campaign of industrial action in support of the £800m. national engineering pay claim came yesterday from union leaders in the West of Scotland.

The Clyde district committee of the Confederation of Shipbuilding and Engineering Unions decided to call a mass meeting of shop stewards next week to discuss possible forms of action.

Proposals likely to be discussed include surprise stoppages of work, favoured by some local CSEU leaders, or various forms of restricted working. Shop stewards representing 100,000 workers in the area will be urged to call meetings at their factories to gauge support for the campaign.

Holiday

Many of these meetings are expected to be addressed by local National Union of Mineworkers officials in a bid to forge local links between the two pay campaigns.

The Engineering Employers' Federation is to reply on December 7 to the CSEU claim increases of up to £10 a week minimum time rates, a sh[illegible] working week and l[illegible] holidays.

Mr. Hugh Scanlon, chairm[illegible] the CSEU engineering co[illegible] tees revealed yesterday th[illegible] unions have accepted an of[illegible] an additional day's holida[illegible] New Year's Day followi[illegible] decision by the EEF to [illegible] conditions which would [illegible] limited the number of w[illegible] entitled to the holiday.

The CSEV rejected [illegible] employers' previous offer w[illegible] would have granted the extr[illegible] only to those workers al[illegible] receiving less than 24 [illegible] holiday a year.

Now it has been agreed [illegible] the 1967 holiday agreemen[illegible] engineering should be am[illegible] to provide for seven sta[illegible] days' holiday a year wi[illegible] qualification.

The Government's Stage [illegible] Pay Code allows an extra [illegible] holiday on January 1 [illegible] granted outside the pay li[illegible]

AUEW drops court move to halt bailiffs

BY OUR LABOUR REPORTER

AFTER LEGAL advice the Amalgamated Union of Engineering Workers has dropped plans to seek a High Court injunction to prevent bailiffs seizing about £200 worth of goods from the union's headquarters at Peckhame, South London.

The AUEW's engineering section planned High Court action after bailiffs gave notice that they would act on an order issued by Lambeth County Court. It is understood that the union has now been advised that a High Court challenge is unlikely [illegible] successful.

The union will not act [illegible] county court because of its opposition to the Industrial [illegible] tions Act. The court order [illegible] to enforce a £190 compen[illegible] award granted to a Mr. [illegible] Rodden by a Newcastle ind[illegible] tribunal in August.

The union claims that its property is part of its pro[illegible] fund which is immune [illegible] compensation claims and [illegible] will take steps to preve[illegible] bailiffs seizing any goods.

Clay Cross council rebel[illegible] plan big pay rises

BY OUR OWN CORRESPONDENT CHESTERFIELD, Nov.

THE LATEST scheme devised by the rebel councillors at Clay Cross, Derbyshire, to give their manual workers big pay rises in the form of emergency standby payments is to be very closely analysed by the Pay Board.

The 94 manual workers were denied rises of up to £5 a week because they were above the limit set by Phase Two of the Government's anti-inflation policy. Now, however, they stand to get higher payments and the councillors believe this time no-one can interfere.

Week-end gales

The idea is to give "standby" payments to men who will be on call for two hours a day on a rota basis to deal with emergencies such as floods.

After ten of the 11 rebel councillors had met to prepare the scheme Councillor Graham Skinner said: "We shall be able to call on 25 per cent. of our work force outside working hours. This is not really a matter of money but a way of improving the present inadequate emergency system and giving a better service to the ratepayers. The week-end gales have highlighted the need for an organised team of workers on standby to deal with out-of-hours emergencies."

A Pay Board spokesman said: "We shall certainly have to consider this very closely. We have to look at standby ar[illegible] ments for local authorities [illegible] what can be allowed and [illegible] cannot."

Women strik[illegible] over sacking[illegible] at Vickers

EIGHTY-EIGHT women w[illegible] have been on strike since [illegible] day at Vickers, Barrow, ov[illegible] dismissal of two 18-ye[illegible] apprentice tracers.

The women, who belong [illegible] technical, administrative [illegible] supervisory section of [illegible] Amalgamated Union of Eng[illegible] ing Workers claim that no [illegible] sultations took place on [illegible] sackings. "The girls were [illegible] a week's money in lieu of [illegible] and sacked on the spot. [illegible] women colleagues insist that [illegible] will not resume work until [illegible] girls are reinstated," [illegible] a TASS spokesman.

Male members of TASS [illegible] the engineering section of [illegible] AUEW are supporting the [illegible] by refusing to work overtime [illegible] are "blacking" work conc[illegible] to that normally done by [illegible] strikers.

The management says the [illegible] work was unsatisfactory.

Last-minute bid saves 360 printing jobs

THE FIGHT by trade unionists and politicians to save 360 jobs at a printing factory was successful this week.

Workers at the Tinlings factory, Prescot, near Liverpool, have now restarted work after losing their jobs two weeks ago. Their jobs were saved by the last-minute bid from the Nottingham-based Oxley Printing Group, with financial backing from the Department of Trade and Industry, after Mr. Robert Maxwell withdrew his bid.

Mr. Tony Mulhearn, chairman of the federated union chapels committee at Tinlings, said: "Naturally we are glad the men are back at work. We understand they will be on the same pay and conditions as before." But orders were running out and Oxley would have to find orders very soon for the [illegible] to survive, he said.

STRIKE HITS WORK ON THR[illegible] SHIPS

Work on three ships [illegible] at Liverpool has been [illegible] by an unofficial strike of [illegible] 80 dock clerical workers over [illegible] and conditions.

Members of the Associat[illegible] Clerical, Technical and Su[illegible] visory Staffs—the white c[illegible] section of the Transport [illegible] General Workers' Union [illegible] seeking similar guarantees [illegible] job security and severance [illegible] as registered dock workers.

Dockers urged to drop incentive bonus claim

BY OUR LABOUR CORRESPONDENT

A PLEA to London dockers not to "put the clock back" by demanding a return to an incentive bonus payments system came last night from Mr. John Lunch, director-general of the Port of London Authority.

Mr. Lunch was speaking at the British Transport Staff College just a day after pay talks, including a claim for the introduction of incentive payments, got under way for the 7,000 men employed in London's enclosed docks.

Great progress had been made in London in recent years by improving the service to port users with two and three shift working and by eliminating stoppages and disputes over piece-work by the introduction of a regular and steady wage. Mr. Lunch said. This had contributed much to the recent comme[illegible] success of the port.

He felt that far-seeing me[illegible] all levels in the port would [illegible] to keep, and build upon [illegible] gains they had made and [illegible] nothing to put the clock ba[illegible]

"It is only by providing [illegible] first class service that the [illegible] tomers want that real [illegible] security can be maintained [illegible] all who work in the port."

BAC WALKOUT OVER PENSIONS

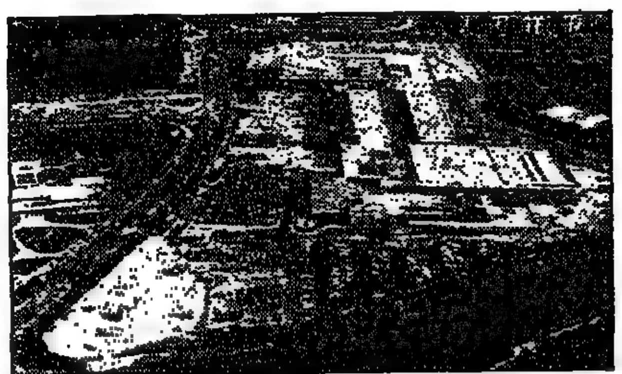
Some 1,200 white collar wo[illegible] at the British Aircraft Cor[illegible] tion factory at Filton, near Bri[illegible] walked out for 90 minutes ye[illegible] day in a dispute over a new [illegible] sion scheme. The men, [illegible] technical and supervisory [illegible] claimed that the company had [illegible] consulted them about the [illegible]

Le Groupe Balkany

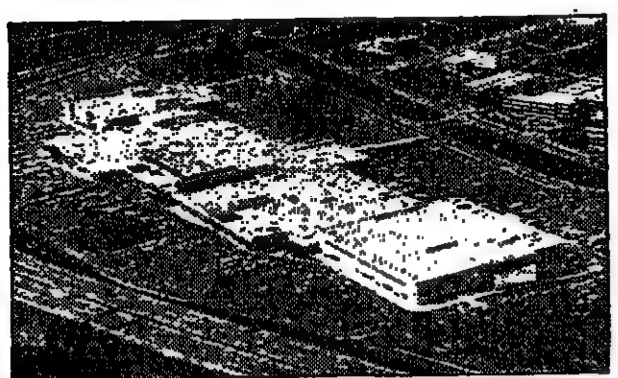
Leader in French Property

Asset value : **1.2 billion francs** (management valuation)
New developments : **2 billion francs** (France and abroad)

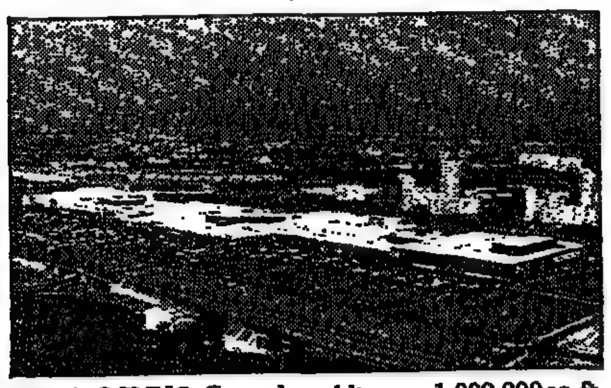
SHOPPING CENTRES



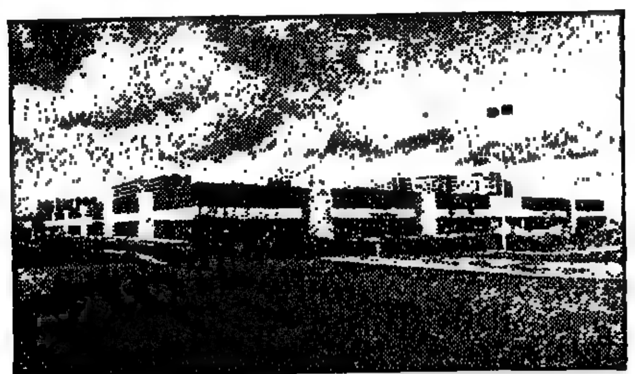
1969 PARLY 2: Gross leasable area: 600,000 sq. ft. Estimated 1973 turnover: 460,500,000 F



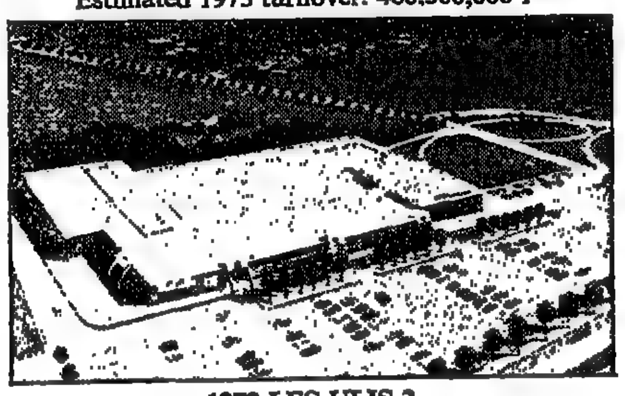
1972 VELIZY 2: Gross leasable area: 1,000,000 sq. ft. Estimated 1973 turnover: 469,000,000 F



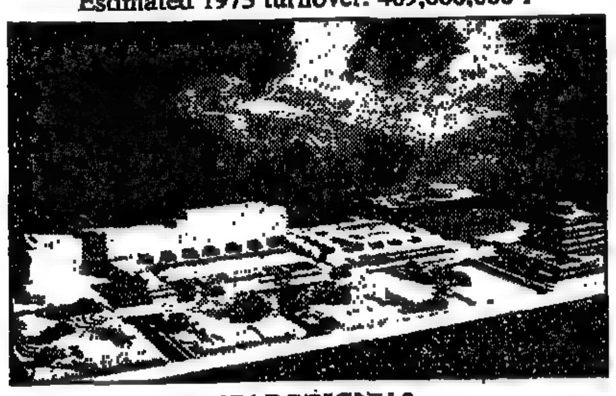
1973 ROSNY 2: Gross leasable area: 1,000,000 sq. ft. Estimated 1973 turnover: 400,000,000 F



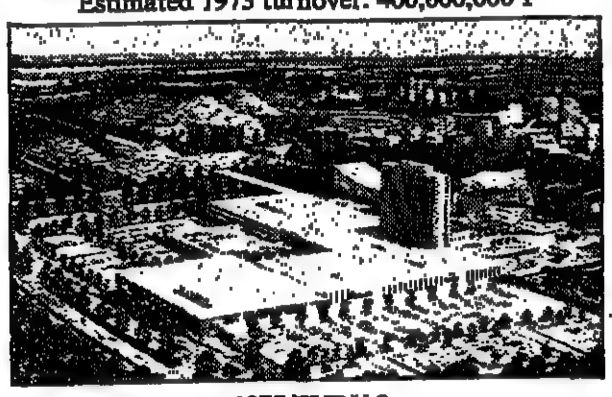
1973 GRIGNY 2: Gross leasable area: 132,000 sq. ft. Estimated 1973 turnover: 88,000,000 F



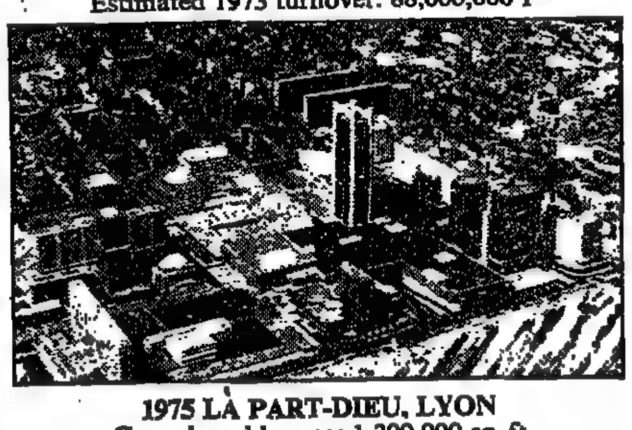
1973 LES ULIS 2
Gross leasable area: 500,000 sq. ft.



1974 BOBIGNY 2
Gross leasable area: 400,000 sq. ft.



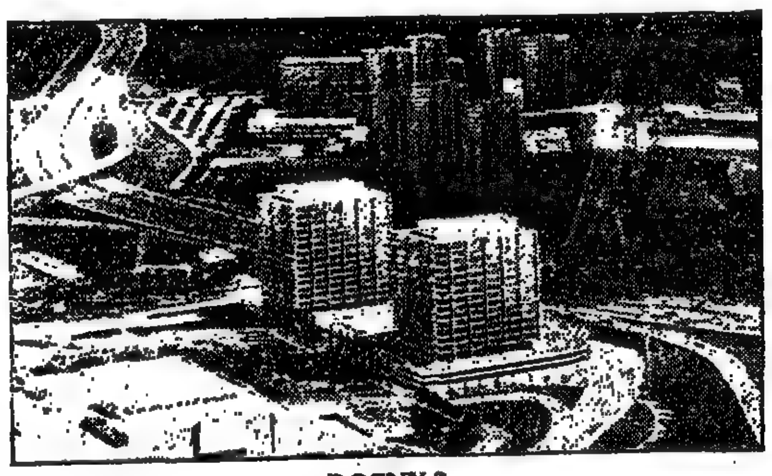
1975 EVRY 2
Gross leasable area: 800,000 sq. ft.



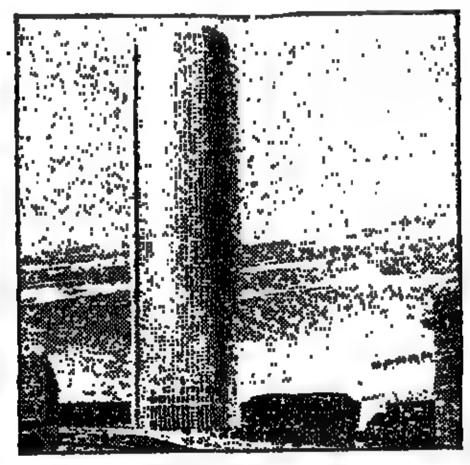
1975 LA PART-DIEU, LYON
Gross leasable area: 1,300,000 sq. ft.

THE 8 SHOPPING CENTRES LISTED ABOVE TOTAL 5,732,000 sq. ft.

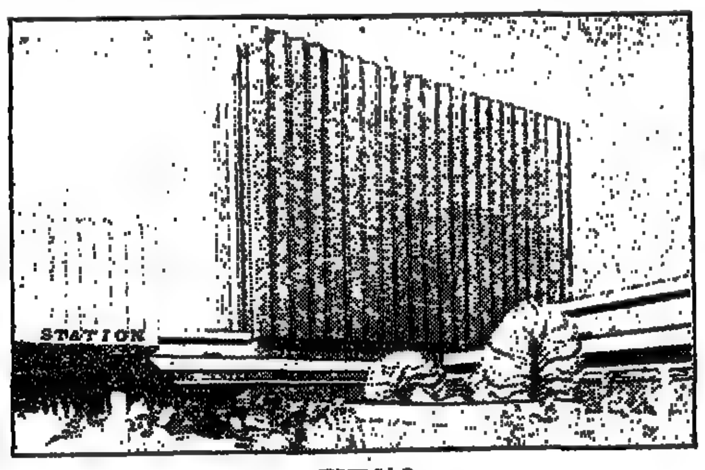
OFFICES



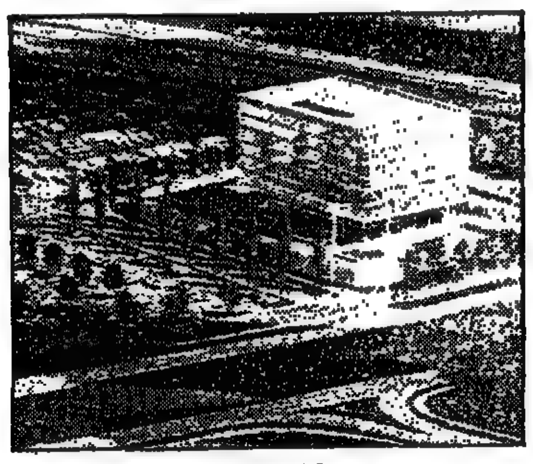
ROSNY 2
Scheduled opening: October 1974
Area: 1,000,000 sq. ft.



LA PART-DIEU, LYON
Scheduled opening: January-July 1975
Area: 1,000,000 sq. ft.



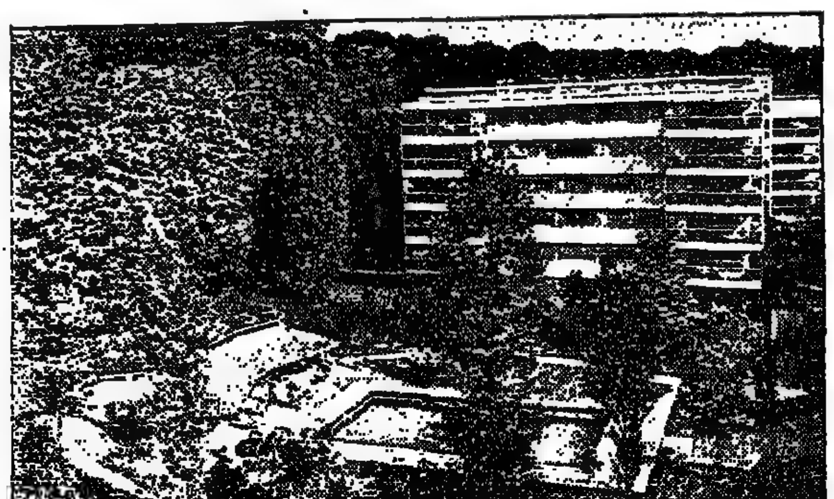
EVRY 2
Scheduled opening: Spring 1975
Area: 275,000 sq. ft.



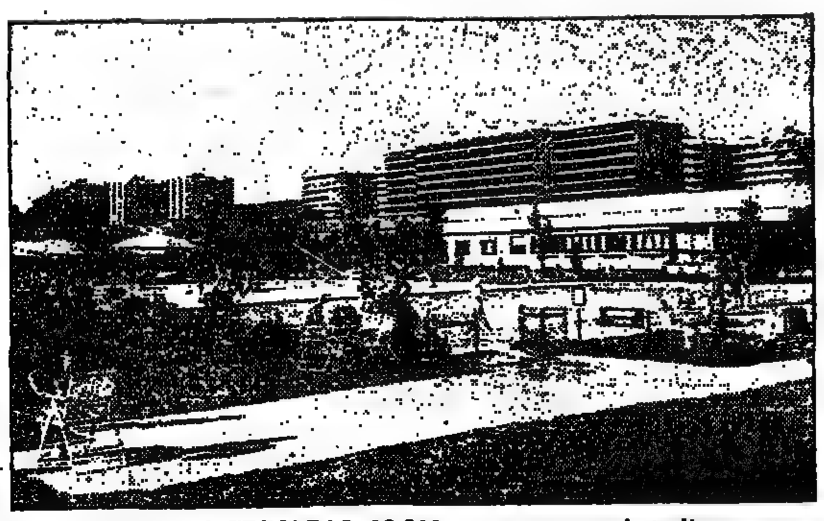
VELIZY 2
Scheduled opening: Autumn 1975
Area: 275,000 sq. ft.

TOTAL AREA : (Including Parly 2) 2,620,000 sq. ft.

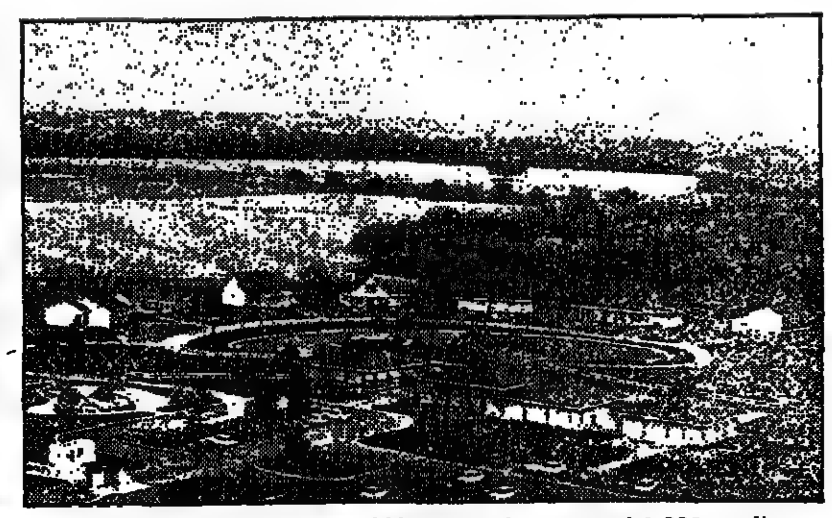
HOUSING



1966/1975 PARLY 2: 7,250 apartments and studios



1969/1978 GRIGNY 2: 10,309 apartments and studios



1972/1980 CHEVRY 2: 3,300 private houses and 1,000 studios

These developments and the residential programmes completed between 1960 and 1966, plus two developments in hand in new satellite suburbs bring the total property to: 30.040 apartments, studios and private houses, or 23,474,000 sq. ft.

ANNUAL SALES 1972 : 250.000.000 F ANNUAL SALES 1973 : 270.000.000 F (10 months)

Le Groupe Balkany

22, place Vendôme, 75001 Paris, telephone 742.32.10

LWT chairman forecasts slower profit growth

BY ARTHUR SANDLES

THE GROWTH in profitability of London Weekend Television *is likely* to be slower in the future than that of the other major commercial television contractors, Mr. John Freeman, LWT chairman, *forecast* yesterday.

Profits in the year to end-July 1973 were £3.1m. (pre-tax but post-levy) against £2.35m. in 1971-72.

Mr. Freeman *says the year* saw the end of the company's "period of teething trouble." However, he does point out that the de-restriction of hours has helped the *London* weekday operator, Thames, more than it has helped LWT, which has little room for expansion of transmission time on Saturday and Sunday.

"The disparity between the weekday and the weekend London franchises has been considerably increased," he says. "And LWT *is in future bound* to take a smaller proportion of the total London revenue. It follows that the company's increase in profitability is almost bound to be slower than that of other big ITV companies."

He says that the LWT results show that the company can do well even under such circumstances but he drops a very big hint that LWT would like a *bigger slice of the London cake* "in any reorganisation of the industry which the IBA may contemplate in 1976."

Total off-take

The big question mark hanging over all commercial television companies at the moment is the *question of the future of the* advertising levy, which the Government has said will, in future be based on profits rather than revenue.

There have been indications that the Treasury is going to seek to increase its total off-take from the industry when the change is made.

"I have no wish to challenge that general intention," says Mr. Freeman. "It could nevertheless be made both unacceptable and unworkable if it were to be applied in a way which left the companies unable to attract investment or build up adequate reserves."

The LWT report shows that the company has spent a great deal more on programmes than in the past. In 1972-73 the total expenditure was £9.5m. on its own production and £1.4m. on outside programming. The totals in 1971-72 were £7m. and £1.5m.

The *report shows Mr. Freeman's* salary to have been £14,238 compared with £13,970 in the year before. The highest paid other director received £15,288 against *£15,000 in 1971/72.*

U.K. property groups switch Paris emphasis to industrial

BY PETER RIDDELL, PROPERTY CORRESPONDENT — PARIS, Nov. 27

A SIGNIFICANT tightening in the controls on new office development in Paris in the last few months has resulted in a major shift in emphasis in the French expansion plans of British property groups.

There has been a big increase in the number of industrial projects and a greater interest in the purchase of existing office buildings in Paris, both for investment and renovation, and in the provincial office market.

The combination of a steep *rise in interest rates and a lower* level of development returns than last year has helped produce a noticeable slowdown in the rate of growth of British property activity *in the last six* months.

Within Paris, where there are believed to be approaching 200 British-owned schemes, mostly acquired in the past two years, there has been a clampdown on new office building, apart from certain areas such as La Defense, Les Halles, the Lyon/Bercy area and Citee Financiere.

These restrictions involve both lower plot ratios and a smaller absolute total of space permitted. But contrary to certain recent reports they are not expected to have any significant effect on office rents for 18 months to two years. This is both because there is a fair amount of space in the pipeline to be offered for letting and because the controls also work on the demand side by *restricting the amount of extra* new space a tenant can seek.

Office rents have been fairly stable in Paris for the past year and have only risen in line with *the general rate of inflation.* Figures of Frs.1,400 a square metre (about £12.50 a square foot) which have recently been quoted, only apply to small suites in a very limited area near the Champs Elysees. There is comparatively little space on offer above Frs.1,100 to Frs.1,200 a square metre even in the main office district. Agents also report a marked resistance on the part of French companies to *paying rents of above Frs.700 a* square metre.

In expanding into the industrial sector, British developers have been effectively creating a *new market since French groups* have traditionally preferred to own their premises rather than rent. However, over £30m. has been invested by British com*panies in this sector so far this* year, mainly in warehousing schemes in the Paris region—and a very high level of local interest is reported.

M. Philippe Appert, the directeur general of Mackenzie Hill S.A., the most active British group in this field, estimates that the current demand for industrial and warehousing space in the Paris region is between 800,000 and 1m. square metres a year, compared with 500,000 to 700,000 square metres a year in the autumn of 1972, and practically nothing 18 months before then.

Mr. Noel Simpson of Weatherall Green and Smith, the British surveyors, commented that the warehousing development had produced a response like "pulling a cork out of a *bottle," with the pent up demand* for rented space resulting in weekly inquiries for around 25,000 square metres for his firm alone.

The main British developers operating in this sector are Mackenzie Hill, the Lyon Group, the Laurie Marsh Group, Artagen and Investment and Property Holdings. Mackenzie Hill has itself rented or sold 150,000 square metres in the last 18 months and is budgeting to develop a further 450,000 square metres in the next year, about two-thirds in the Paris region.

Board of 10 for British Nuclear Associates

BY DAVID FISHLOCK, SCIENCE EDITOR

BRITISH NUCLEAR Associates, *the holding company announced* at the end of last month which is to hold 35 per cent. of the £10m. capital of the National Nuclear Corporation, formally came into existence yesterday with the election of its Board of 10 directors.

Shareholdings in BNA are allocated as follows: Babcock and Wilcox, £1.2m.; Clarke Chapman-John Thompson, £1m.; Taylor Woodrow Construction, £500,000; Head Wrightson, £300,000; Sir Robert McAlpine, £250,000; Whessoe, £200,000; Strachan and Henshaw, £50,000.

Mr. John King, chairman of *Babcock and Wilcox, has been* elected chairman, with Sir Edwin McAlpine, of Sir Robert McAlpine and Sons, as deputy chairman.

Other members of the Board are Mr. R. Bellinger, Strachan and Henshaw; Mr. Tom Carlile, Babcock and Wilcox; Mr. John Eccles, Head Wrightson; Lord Erroll of Hale, Whessoe; Mr. W. Hanlon, Clarke Chapman-John Thompson; Mr. A. J. Hill, Taylor Woodrow Construction; Mr. D. Parvin, Babcock and Wilcox; Mr. J. B. Woodeson, Clarke Chapman-John Thompson.

Steel plant 'reprieved' until 1976

By Our Own Correspondent

STOKE, Nov. 27.

THE Shelton steel plant in Stoke-on-Trent which is threatened with closure and the loss of 1,600 jobs, was given at least a year's reprieve yesterday.

Dr. Monty Finniston, British Steel Corporation chairman, told the workers' action group at the plant yesterday that a final decision on Shelton's future would not be taken before mid-1974 at the earliest, and that the corporation's normal two-year notice of closure would then apply. As a result, closure will not be before mid-1976, and could be later.

Under a corporation rationalisation plan, the Shelton works was due to close early in 1975 with almost three-quarters of the total work force of 2,600 men being made redundant.

Another decision taken yesterday was that the corporation would spend £550,000 on extensions to a rolling mill plant which would safeguard the jobs of 950 workers.

Dr. Finniston said later: "The action group has done its homework extremely well. A decision on the plant's future has been deferred for a further 12 months, at least."

He also spoke of a plan by the city council to take over the running of the plant. "We have a very modern mill at Shelton and do not intend to sell it completely. There will be a chance to discuss how all interested parties can help."

Mr. Ted Smith, leader of the action committee, commented: "This is a great victory for us. Dr. Finniston has made several concessions which we believe will help in our fight to safeguard Shelton."

The 12-man action committee is urging the corporation to instal electric arc furnaces which the workers claim would bring in £10m. profit each year and save the jobs at risk.

● NEWS ANALYSIS—NUCLEAR POWER STATIONS

Canada enters the lists

BY DAVID FISHLOCK, SCIENCE EDITOR

WHAT HAD brought him to London this week, Mr. J. Lorne Gray, one of Canada's outstanding engineers, said yesterday was news from Britain that the Central Electricity Generating Board was seeking an "off-the-shelf" *nuclear power system* and wanted to go offshore to get it.

Mr. Gray was not sure that such a reactor existed, but was quite sure that if anyone had *such a system to offer it was not* the giant U.S. nuclear vendors but Atomic Energy of Canada, the company of which he is president.

On Monday, Mr. Gray saw most of the members of the Nuclear Power Advisory Board, the committee charged with taking the final decision on Britain's choice of the next nuclear system. They included its chairman, Mr. Peter Walker, Secretary for Industry, and Lord Aldington, chairman of the National Nuclear Corporation.

In the running

They assured *him that* his proposal was now in the running, along with British and U.S. reactors. He got the impression, he said yesterday, from Mr. *Arthur Hawkins, chairman of the* CEGB, and especially from Mr. F. L. Toombs, chairman of the South of Scotland Electricity Board, that his proposal would be "very *seriously* considered."

Mr. Gray has been talking about nuclear collaboration with Britain for many years now. Eighteen months ago there was tacit understanding *between* the two Governments that if Britain selected the "steamer" (steam-generating heavy water reactor, or SGHWR), there would be a formal agreement to collaborate, for the steamer and the Candu, a natural uranium reactor, have many aspects in common.

So great are the costs—and the risks—of the nuclear game that no one to-day wants to be isolated. As Mr. Gray put it, with a wry grin, "we've got nearly as much money in the Canadian Government as U.S. General Electric, but backed by the British we think we'd be the stronger."

He has renewed his offer of collaboration in construction experience and technical *back-up* if Britain should decide on the steamer. But he was made bluntly aware of the CEGB's case that the steamer is an "unproven" system—the 100 MW prototype at Winfrith is too far removed from the 1,000-1,200 MW reactors the CEGB wants to build.

Mr. Gray came prepared, however, with a new offer: one he had not dared to make to Britain before. It was that in Candu his company had a system that seemed to meet the CEGB "specification"—a reactor that could be built on time, to the price quoted and backed by *strong guarantees on* performance. Of the (unnamed) CEGB man who asked him "how can you claim that Candu is proven when you have been operating for only two years?" Mr. Gray commented: "And he'll be saying the same in another five years."

World's biggest

Candu's *great* claim to credibility is the Pickering station some 25 miles from Toronto, where four identical 500 MW reactors of this type are now operating at full power. That makes it the world's biggest nuclear station.

It was operating "extremely well," asserted Gray, "and I'm not aware of any that are performing better." Last winter the first three reactors to be commissioned had capacity factors of, respectively, 89, 87 and 92 per cent. The fourth reactor was commissioned during the summer.

Backed by this record Mr. Gray believes he can make a strong case to any nation worried by the energy situation. The

Mr. J. Lorne Gray

core of his case is that Candu needs no enrichment and moreover extracts almost twice as much energy from each ton of uranium burnt as any other reactor commercially available to-day.

To offset this advantage, the capital outlay for Candu is about 10 per cent. higher than for U.S.-type light water reactors, the difference being the cost of the heavy water Candu requires.

This higher capital cost must be traded against exceptionally low fuel costs, only half those of the light water reactor. Under Canadian *conditions*, claims Mr. Gray, unit energy costs are "substantially less and they will stay less—in *fact* the difference will increase."

Canadian utilities seem to be persuaded. Ontario Hydro, with over 5,000 MW on-line or under construction, intends to order another 8,000 MW despite offers from U.S. nuclear vendors. New Brunswick, claims Gray, may shortly announce orders for two 600 MW Candu reactors. Quebec Hydro, most independent ... is also expected to order C...

In what he calls "nose-to-... *competition*" with U.S. and W... German vendors, Candu ... chosen last spring for a 600 ... station in the Argentine ... Italy, ENEL having accepted ... technical specification for ... 975 MW Candu in competi... with two domestic bids for U... type light water reactors, ... about to make up its ... between the three comme... tenders.

But Mr. Gray admits he is ... quite sure what steps to ... next. "We don't want to ... SGHWR—it's a good syste... But he is prepared to offer ... build Candu reactors in Bri... in less than six years—c... pletion in 63 months and c... mercial service in 69 month... and to back such an offer w... guarantees on performance ... for supplies of the heavy wa... The confidence stems from ... fact that each of Pickeri... four reactors came into ser... ahead of schedule, and ... period from completion to ... *mercial* service fell successi... from 95 days to 53, 18 and ... only 12 days.

Own reactors

He recognises, however, ... Britain would expect to ... its own reactors, and a deal ... Candu would mean a licence ... the National Nuclear Corp... tion. Under those circumsta... Mr. Gray would expect com... tion to take perhaps six mo... longer.

Even so, he is sure Bri... industry would find Candu ... much simpler system to learn ... build than the light water ... *actors.* The *critical* compo... the pressure vessel, is simpl... tube 20 feet long and "noth... is easier to design for stre...

As for AECL's share of ... business it would be co... with the fuel handling ... ment, perhaps 10 per cent ... the capital costs.

Pottinger put pressure on me, says landowner

SENIOR CIVIL SERVANT George Pottinger put pressure on a Scottish landowner over development of the Aviemore winter sports centre, Leeds Crown Court was told yesterday.

Colonel John Grant, a former member of the Scottish Tourist Board, *said he discussed* the idea of developing 50 acres of his land at a series of meetings with businessman Lord Fraser and Pottinger, a Scottish Office under-secretary. Lord Fraser's consortium offered only a quarter of the land's valuation, and he entered negotiations with the Rank Organisation.

Colonel Grant said he then received a phone call from Pottinger, who warned him he was "playing with fire," told him that the consequences would be serious if he did not accept the Fraser offer, and that the repercussions of Rank's "cutting in with English capital" would be terrible.

"He said that Ministers would take a serious view of my action, and he would not like to be in my shoes," said Colonel Grant. He felt it was out of order for Pottinger to apply pressure in favour of one development, and regarded his conduct as "constitutional impropriety."

He agreed with Pottinger's counsel that the Fraser consortium eventually matched the Rank offer of about £48,000 and offered to go higher if necessary.

Earlier, Col. Grant said plans for the project were commissioned from an architect, Mr. Patrick Ross-Smith. He was later visited at his home by Pottinger and another architect, John Poulson. He knew Poulson had become involved at Aviemore, but was surprised that Mr. Ross-Smith was not mentioned.

Poulson and Pottinger deny conspiracy and corruption charges involving £30,000.

Sir Douglas Haddow, former Permanent Under-Secretary at the Scottish Office, told the court he was aware Pottinger continued to take an active interest in Aviemore up until he was transferred to London as an Assistant Under-Secretary in November 1964.

Towards the end of 1963 he suggested to Pottinger that it would perhaps be wise "to rid himself as far as he could of direct involvement."

Later he instructed that all Mr. Pottinger's Civil Service activities be investigated, to see whether he had "tried to exert any influence. Pottinger was subsequently suspended from duty.

Mr. Wilfred Steer, QC, for Pottinger, said there would now probably be a Civil Service inquiry, on which depended whether Pottinger would continue to be a civil servant.

The trial continues to-day.

NEW INSTITUTE FOR FORENSIC EXPERTS

BRITAIN'S FIRST Institute of Forensic Medicine has been established in Birmingham.

Birmingham Regional Hospital Board, announcing this yesterday, *said the Institute would seek to* promote and advance forensic medicine by providing facilities for training, education and research.

Saleroom

THE SECOND part of the Ortiz-Patino collection of French gold *boxes sold at Christie's yesterday* for a total of £238,875. In June the first part of the collection was sold for £316,365.

The top price in the second half of the collection was the 26,000 guineas paid by a private buyer for Louis XV enamelled rectangular snuff box made in Paris in 1750. In 1947 this box was sold at Christie's for 620 guineas. Louis XVI enamelled oval box, Paris, 1789, sold for 18,000 guineas to S. J. Phillips.

A drawing of the Temple of Isis at Pompeii by Giovanni Battista Piranesi was sold at Christie's yesterday to David Parritt for 15,000 guineas. The drawing was one of six from the collection of the late Sydney J. Lamon, which sold for a total of £43,785.

The highest price in the sale was also from the Lamon collection. This was the 15,500 guineas paid by Rosenberg and Stibel for "Les Sept Ages de la Vie," by Jean Honore Fragonard.

A landscape with a windmill and other buildings by Rembrandt, only 4½ in. by 7 in., sold to a private buyer for 12,000 guineas, and the same buyer paid 4,200 guineas for a Rembrandt drawing of a tree by a farmstead.

Yesterday's sale realised £184,165, making a total of £206,353 for the two days.

The second day of Sotheby's sale of books printed in England and English books printed abroad before 1641, from the collection of Sir Thomas Phillips (1792-1872), realised £72,103, making the two-day total £172,786.

One of the only two recorded complete copies of the first edition of Drayton's *Endimion and Phoebe*, printed in 1595, was sold to Hofmann and Freeman and Quaritch for £19,500.

Sotheby's sale of fine Chinese ceramics, archaic bronzes and works of art realised £1,268,845—a new world record for a sale of this type. A fine green and *yellow Wan Li jar,* which fetched £550 at Sotheby's in 1965, was bought for £88,000 by Mrs. Glatz, who gave £65,000—a new auction record price for any piece of porcelain of the Ch'ing Dynasty—for a very rare K'ang Hsi Imperial ruby-ground bowl. She also gave £60,000 for a large Ming celadon green jade buffalo, which made £9,500 at Sotheby's in 1962 and £48,000 for a 15th century red-ground stem-cup, which sold at Sotheby's in 1968 for £1,900.

In a sale by Bonhams of silver and jewellery totalling £13,295 a pair of late 18th-century Dutch table candlesticks went to Koopman for £1,750.

Dublin Cabinet to decide stand on Ulster talks

BY DOMINICK J. COYLE — DUBLIN, Nov. 27

A MEETING of the full coalition Cabinet here to-morrow is expected to decide the Irish Government's approach to the tripartite talks opening on December 5, with senior British Ministers of members of the Northern Ireland Executive-*designate.*

The conference, to be held at a still undisclosed venue in the U.K., is intended to produce outline agreement on the formation of a Council of All Ireland linking the new Northern Executive with the Dublin Government.

This would be followed by the formal coming into being of the new power-sharing executive in Belfast under the leadership of Mr. Brian Faulkner. Dublin expects that the tripartite conference will be recovened to ratify agreements arrived at next week and to finalise practical mechanisms for the working of the Council.

However, there are signs that Whitehall is anxious to limit next week's talks to general discussions on the Irish proposal for a common law enforcement area covering the entire county (excluding any specific debate on the Royal Ulster Constabulary), to problems associated with extradition between the two part of Ireland and to tentative exchanges on ways of financing the proposed Council.

The Government, at its meeting to-morrow, is likely to come down in favour of much more wide-ranging negotiations, and Dublin may subsequently suggest to Whitehall that th agenda for the tripartite talks should be virtually open-ended, with each side free to raise any issue seen to be relevant to the whole Irish question.

The Dublin and Lo... Governments seem to be ag... that the opening round of the tripartite discussions should ... relatively informal. There is ... official support here for ea... suggestions that the chairm... ship of next week's talks co... *present a problem* It seems t... a British chairman will ... acceptable or the Dublin Gove... ment may propose that the ... should rotate among the ... *participating parties.*

The make-up of the full ... delegation will be decided ... to-morrow's Cabinet meeti... but Mr. Liam Cosgrave, ... Prime Minister, will certai... attend the opening sess... scheduled for Wednesday wh... it is being assumed here, ... British team will be led by ... Heath.

Other Irish Ministers likely ... participate in some or all of ... conference include Mr. Bren... Corish, the deputy Prime Mi... ter, Dr. Garret Fitzge... (Foreign Affairs), Mr. Ri... Ryan (Finance), Mr. Pat... Cooney (Justice), Mr. De... Costello (Attorney-General) ... Dr. Conor Cruise O'Brien (P... and Telegraphs).

OBITUARY

MR. L. W. DESBRO...

Mr. L. W. ("Dick") Desb... president of Compton Partne... quoted U.K. advertising ag... group, has died. He had ... *viously been chairman* and ... executive of the organisati... taking over from Leonard Ga... some five years ago.

Mr. Desbrow was 60

THE OIL SITUATION IN BRITAIN

Post Office prepares to :ope with coupons

Y PAUL ELLMAN

POST OFFICE yesterday ed that queues can be cted at some post offices the distribution of petrol ning coupons begins orrow.

al managers have the ority to keep post offices later than usual if the rush coupons cannot be handled rmal hours.

e Post Office says that every has been made to avoid s but points out that the day for distribution is also day old-age pensions are ally collected.

ecial Christmas stamps also sale from to-morrow and Post Office says this normally ces an increase in counter ess.

Between 15m. and 16m. people are expected to call at post offices in connection with the distribution of coupons before the scheme ends on December 12.

Seven sets of "detailed instructions" have been sent to staff at the country's 20,000 post offices telling them how to issue coupons for ordinary vehicles, business vehicles and lorries.

The Post Office believes it has enough counter staff to cope with the distribution and points out that, nationally, it is only 3.9 per cent. down on its counter staff establishment of 22,300. The situation in London is, however, worse, with a shortage estimated at between 8 and 10 per cent.

To cope with the possibility that some post offices may run out of coupons, extra stocks are being kept at main offices.

The decision to start the distribution of coupons to-morrow was attacked yesterday by Mr. Norman Taylor, general secretary of the National Federation of Sub-Postmasters.

He said it was "incredible" that the Government had chosen one of the busiest pension days of the year.

His association has told the Government it will be "almost impossible" to introduce the scheme this week.

The Department of Trade and Industry has warned motorists who sell their cars after drawing coupons that these should go to the new owner with the log book.

The distribution is expected to produce a rush for road fund discs by the estimated 50,000 people in Britain who are driving without a current disc.

Shipping slows to ease shortages

By James McDonald, Shipping Correspondent

MORE SHIPPING companies, including international containership consortia, are introducing slower "steaming times" of their fleets in order to conserve fuel. This is against *the background of increasing* shortages at international bunkering points throughout the world.

The Trio international containership consortium, for example, has announced that it is "progressively" reducing the *speed of its fleets by two knots* "in response to requests from governments and bunker suppliers to all sectors of industry."

The Trio consortium comprises Ben Line Containers, Hapag-Lloyd AG, Mitsui OSK Lines, *Nippon Yusen Kaisha and Over*seas Containers (OCL). They operate an integrated container service between Europe and the Far East. With a combined fleet of 17 large containerships, it is probably the biggest consortia of its type in the world.

The reduction in speed—from a normal service speed of 26 knots to about 24 knots—will lengthen the transit time between Europe and the Far East by an average of two days. On the longest run from Europe to Japan the time will be extended from about 27 to 29 days.

A great deal of trade between Europe and the Far East is now containerised and this reduction in speed will mean a rapid reorganisation of sailing schedules. "It will be a difficult job in such *a short time and must also affect* our customers' schedules," said a Trio spokesman in London yesterday.

Complicated

Overseas Containers said that, so far, nothing had been decided about slow-steaming on the consortium's Europe-Australia route.

The Trio situation is more complicated on bunkering. One partner, OCL, said that it had had no difficulties *so far* on Far Eastern routes. All the partners, *however, have different* bunkering points and some of the others may be "having problems."

The P. & O. group and other major British shipping groups—already heavily involved financially in containership consortia—are also introducing fuel economy in their other services, cargo liners, bulk shipping and ferries. In some cases slow steaming is the answer.

[Trading stamp companies feel he pinch at garages

Y ELINOR GOODMAN

OST 10 per cent. of Green d's 10,000 garage customers reduced the number of ng stamps they give away each gallon of petrol as a t of the cut-back in petrol rics. A further 86 garages stopped giving stamps ether, while other garages *reviewing their trading* position.

the U.S., the trading stamp anies' fall-off in business een even more marked with big garages pulling out of s. The situation is likely *worse for the British* operators over the next weeks.

he garages said yesterday the cut-back could have a erin effect on stamp trading ring a welcome end to the ice whereby garages give than the required quota of s with each gallon of l.

en Shield, Britain's biggest operator, said yesterday t did not expect many more es to pull out of stamps ly, though there might be ther swing to giving stamps at face value. This, in turn, company admitted, could to a fall in gift redemptions,

A garage needs to give 28 days' notice to end its contract with Green Shield. Until now, competition for the franchises has been fierce.

Green Shield gets 40 per cent. of its turnover—forecast at £51m. this year—from garages. Most of the garages give double or *treble stamps, though Green* Shield has in the past discouraged dealers giving away more than four times the usual value of stamps a gallon.

Earlier this week, Blue Star garages, one of Green Shield's largest customers in the garage business, decided to cut back from quadruple or double stamps to single stamps after losing more than 1½m. gallons of petrol business.

Blue Star's decision could influence its competitors who have *found the trend towards multiple* stamps an expensive way of building sales.

The CWS, the second-biggest supplier of stamps to garages, has this week changed the terms of its contract with garages in view of the oil situation. It has waived the clause in its agreement requiring garages to give multiple stamps.

Some of the trading stamp companies are comforting themselves with the thought that, if a garage's turnover is limited by rationing, it will want to compete all the harder for the business that is left. For this reason Sperry and Hutchinson, the other *main trading stamp* company in this country, says it does not expect many garages *to give up their franchises*, though rationing would probably mean a fall in turnover.

HOME HEATING COUNCIL FORMED

Heating and ventilating organisations have formed the Domestic Heating Council, representing the Heating and Ventilating Contractors Association, the National Association of Plumbing, Heating and Mechanical Services Contractors, and the Scottish Plumbing and Mechanical Services Employers Federation.

The council will negotiate at national level with the promoters of the domestic heating fuels—oil, gas, solid fuel and electricity. Its objects are to secure agreements which will be equitable between the fuel interests and the installers.

Lead in petrol delay: '2% saving'

' LORNE BARLING

-POLLUTION measures would have reduced the content in petrol are to be d—giving a saving of up ,000 tons of petrol a year— announced yesterday.

Eldon Griffiths, Under-ary at the Department of Environment, told a cone on *fuel* and the environat Eastbourne that the oil was bound to delay environl control measures.

e of the side effects of the ortage is that we have not ble to go quite as quickly had hoped in the case of petrol," he said.

m advised that something 0,000 to 300,000 tons of oil saved if we postpone our on to reduce the lead from the present .64 millito .55 milligrams per

quantity of petrol saved *more* was estimated by panies to represent about cent. of total annual conon, and the decision was ly welcomed by them.

Griffiths said, however, ce the present emergency r the Government would powers contained in the ion of the Environment reduce lead content.

he same conference Lord man, former principal ic adviser to the Governsaid that Britain's politieconomic situation would omy indeed" without the urces of fuel and energy discovered under the North Sea.

He said estimates suggested that Britain would be able to satisfy at least half its national demand for oil by the middle 1980s.

He warned, however, that estimates made in past decades had been notoriously far off the mark, and it was necessary to be flexible and open-minded in the approach to environmental problems related to the provision of energy.

"Environmental cost needs to be regarded as part of the price *we pay for our fuel,*" he said. "Were we ever up against the stops over fuel supplies, finding the resources to pay for energy would be a higher priority than reducing the sulphur content of oil."

Mr. Derek Ezra, chairman of the National Coal Board, forecast revolutionary new "coalplexes" where coal could be processed in *one place for all its possible uses.* These included solid and liquid fuel preparation, power generation and chemical extraction, *with the elimination of pollution* at source.

He told the conference: "The Board is actively engaged in economic appraisals of the coalplex concept, which will become more urgent and relevant with the possibility of a severe energy shortage by the mid-1980s."

The NCB was keeping the closest watch on the most advanced ways of using coal and cutting pollution, including those being *developed* in other countries.

Opening the conference, Prince Philip said that a direct confrontation between conservationists and those trying to meet human energy requirements would achieve very little.

He said: "The technical knowledge necessary to control pollution and damage to the environment is already available. The questions which need answers are the size of the bill the citizen is prepared to pay and *the priority of projects to which* the money should be allocated."

Mr. Geoffrey Chandler, president of the Institute of Petroleum and director of Shell International, said that the debate on the environment had often been *marked* by *high* idealism and understandable emotion, but also by insufficient analysis and intellectual integrity.

"The oil industry believes that prevention is better than cure, that adequate environmental *standards* must be maintained, that accidental *pollution* must be dealt with quickly and compensation paid for attributable damage," he said.

Mr. Arthur Hawkins, chairman of the Central Electricity Generating Board, said that many countries which had failed to understand the nature of certain types of pollution had spent vast sums without significant improvement.

The outstanding lesson learned *in Britain was that the scale of* an air pollution problem could not be judged solely in terms of quantities of pollutants emitted into the atmosphere.

"Other factors that need to be taken into account are the time, the place and the manner of emission. These are vital factors that can determine whether the pollutant is dispersed or whether it is released with the maximum of risk of creating a hazard," he said.

Deal to help off-shore oil industry

AN OFF-SHORE explosives service company, Explo-Ridgeway International has made an agreement with Nobel's Explosives Compank of Stevenson, Ayrshire, an ICI subsidiary under which some resources of NEC, such as research facilities, supply, stock control, distribution and general administrative functions, as well as the services of field engineers will be made available to ERI.

The deal will widen the scope *of ERI's operations*

Explo-Ridgeway International specialises in the use *of* "two-component" chemical energy systems which are used in underwater devices for cutting pipe and trenching for a sea-line.

'wo 'unpalatable' options . . .

ANCIAL TIMES REPORTER

NMENTS HAVE only palatable options in the a continuing oil crisis—onomy without a war or g of petroleum by price Nicholas Plessz, chief st of GATT, said in yesterday.

essz was speaking on the for international trade *nference sponsored* by iety of Business Econo-

te of the evident slowand the reduction in m supplies, the overall growth of the industrial s was still likely to per cent this year in rms, because of the m of the first threeof the year.

because of the dism petroleum supplies, me growth of world excluding arms, might han 12 per cent, with a e in dollar prices, only mitigated by the recent ning of the dollar.

the Middle East crisis, ng on the assumptions *and on the tempera-* the forecaster, one could ected that the decelera-974 would have been to alf the 1973 rate of f real gross national pro-OECD countries.

resumption of petroleum even at the prices recently fixed in Kuwait, could still make it possible to avoid a sharper deceleration. GNP might *still* grow at *3 to 3½* per cent. in real terms between 1973 and 1974, but "in a highly inflationary climate."

If short supplies continued with no prospect of rapid improvement, Governments would have only two options, both unpalatable.

A war-time economy "without a war," meant not only rationing of energy for non-industrial users, but also measures to save liquid fuel, and to push rapidly towards other sources of primary energy.

This limited the direct impact of the shortage on industrial production, but it would still call for other policy measures to minimise the impact on prices and employment.

It would also imply the voluntary acceptance of a decrease in the purchasing power of earnings to off-set the decreasing efficiency of the productive apparatus. Without such measures, or if they were too little and too late, rationing by price could become unavoidable.

Given the short term rigidities of the energy sector, such a course could imply large open or hidden price increases, leading to an international inflationary spiral, unprecedented in peace time.

It was difficult to see how policymakers would react to such a development, but it was *likely that they would continue* restrictive policies even after the slow-down in economic activity had become quite pronounced.

Mr. Frederick Atkinson, Deputy Director-General of The *Organisation for Economic Co-*operation and Development, who spoke on the economic outlook for industrial countries, said that his organisation's general impression was that the boom was now being brought under control by restrictive policies adopted by most major countries. The organisation expected slower growth in 1974.

Mr. Atkinson said that the total gross national product of OECD countries grew at the rate of 6 per cent. in 1972 and accelerated to about 8 per cent. in the first half of this year. Since then it had slowed down and they were expecting a growth of something like 4 per cent. in the course of next year, if oil *supplies* were not restricted.

He added: "If it were not for the oil situation I do not think there would be very much to be alarmed about. There has been a terrific expansion and it would not do any harm if a slow-down occurred."

Mr. Geoffrey Bell, a director of Schroders International, speaking on the international *monetary system and exchange* rates in 1974, said that the prevalent argument was that floating exchange rates were worsening Britain's inflation.

The Prime Minister and the Chancellor of the Exchequer argued that most of the problems of inflation and the deteriorating balance of payments were the result of increased world commodity prices.

It was clear that world commodity prices had made the balance of payments problem more serious. He believed, however, that had they controlled the rate of growth of demand then the exchange rate would have been considerably higher, and the economy would have suffered less from the ravages of external inflation.

Rather than using the reserves to smooth exchange rate fluctuation they had permitted nationalised industries and local authorities to borrow about $2.5 billion since March in the Euro-dollar market at an average interest rate in excess of 9 per cent.

The same policy could have been carried out by the use of International Monetary Fund credit facilities at an interest rate below 3 per cent.

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The Executive's World

EDITED BY JOHN TRAFFORD

...e Government is shortly expected to make a statement on the future of British Rail. Doina Thomas describes how a subsidiary, British Transport Hotels, has prepared for its future by

A thorough spring clean

...EN I thought about it, I ...I did not have any pre-...s or proconceptions about ...owned businesses," remem-... George Hill, 48-year-old ...ging director of British ...port Hotels, reflecting on ...terview that led him to join ...in 1969 as director of fin-...and planning.

...although in his previous ...r with Distillers and BP he ...nly a brief experience of ...al management, he soon ...that running a State-owned ...ess does put an "additional ...not horrific" constraint on ...anager. "There is a back-...d of politics which over-...ws the State sector," com-... Hill who intends that it ...remain at the back of his ...gers' minds until it actively ...eres.

...was, however, one of the ... problems faced by Hill ...he became managing direc-...f BTH in 1970. He had ... an organisation with a ...ally retiring top manage-... in an industry with some ...e sharpest entrepreneurial ..., the hotel and catering ... equipped with premises ...—particularly in the £15m. ...ing business—were ageing ...t obsolescent.

...course, there were areas ...e Hill could not venture un-...his competitors in the pri-... sector. The option to diver-... into related industries—as ...d Metropolitan Hotels did ... brewing—was not open to ... And some of the operations, ...on-train catering, had to be ... going despite losses. So ... has had to concentrate ...ially giving the house he ...ited a thorough spring-...

...joined the £40m. turnover ... because his appetite had ... whetted by a brief spell as ...al manager of Distillers fine ...icals division. "Being the ... of staff does not give me ...ame satisfaction as running ...hing," he comments. ...h a State-owned business ... now hardly seem the right ... for an entrepreneurial job, ...tmosphere at the time Hill ...d was much more lively.

... is not easy to get a chief ...tive's role, especially when ...ave not been one before." ...s it easy to graft the entre-...urial spirit on to managers ...ht up largely in the State ...m. He found that many of ...xisting staff were "just rar-...o go, one only had to open ...window."

...l's way of opening the win-... very much reflects his ...cial and planning back-...d in the success... of staff ...he held with Dis...lers and ... "Very clear m... ...ment ...ting and control mechan-... were needed, also clear ...isation lines and lines of ...and were needed." Instal-...hese occupied a large part of Hill's time when director of finance and planning. "We now have very few people ultimately *responsible for profitability* and very few ad hoc meetings."

The 16 or so senior staff report to Hill monthly on the progress against budget of their particular interests. Last year two out of the three groups (of ten hotels each) were precisely on budget for gross revenue. This year performance is above budget by a few per cent. Once a week Hill checks the gross revenue of the total operation and the profits of certain key units. "Gradually the feeling has grown up that people have failed themselves when they do not achieve the objectives," Hill observes.

In any business owned by shareholders the major objective would normally be to maximise net profits but Hill's managers concentrate more on the cash flow in their individual profit centres. "I need it for investment but there has also been a *marginal improvement in profitability*." In the five years up to 1972 the hotels division has shown an increase in operating profit from £783,000 to £1.4m., the gross cash flow has gone up from £1.3m. to £2.0m. and net investment keeps just behind, increasing from £1.1m. to £1.6m.

There is a greater disparity between the cash flow and investment figures for catering; gross cash flow up from £709,000 to £1.7m. while investment has only moved from £340,000 to £531,000 because it concerns equipment only. The physical structures are owned by British Rail. In 1969 the British Rail Board agreed to put £5m. into a modernisation programme for all forms of station catering. This has been half used up. Last year some 34 major modernisation programmes were carried out and 85 other forms of improvement in 60 of the 200 plus stations with catering facilities. The return was £1.1m. profit, almost double that of the previous year.

The catering operation, food in buffets, bars and on the trains themselves, has recently adopted a new image—it now supplies "Travellers - Fare." Though almost universally condemned by the advertising world, the name was chosen after detailed market research among passengers. "It showed up that there was a very affectionate attitude to the railways," Hill observes. "Affectionate sometimes to the point of being indulgent."

Before the new name was announced, together with an advertising compaign to support the image, much physical reconstruction had been carried out at various station eating places (The Drum at Waterloo, the Bistro at Victoria). The improvement plan has a dual nature, firstly the physical and equipment changes necessary to modernise and secondly a tighter control over the food. This has entailed bringing in a lot of new catering staff, particularly women straight from college "because supervision is essential if we are to keep up the quality of the product."

The problem in station and train catering is a very diffuse one which requires a fairly deep pyramidal management structure built up on catering officers, station catering officers and a series of regional groupings. It has been accepted that the catering on trains will make a pretty steady loss of some £600,000. This is considered a marketing expense by British Rail since the food attracts passengers. "We are stretched pretty thin in the management of catering," Hill comments.

There is a lesser problem on the hotels side, largely because *the numbers are much less and* they have been modestly profitable over the years. There are *some 30 hotels, in regional* groupings of ten, and each hotel has a job specification and is a profit centre working to an agreed budget. The hotels range across the price spectrum from Gleneagles down to more modest hotels near city railway termini. Within his budget each hotel manager has the freedom to develop his house as he sees profitable though the general marketing is done centrally.

"When I arrived I found that the organisation was really somewhat production orientated," Hill remembers, "the marketing was very weak, it had to be reinforced." The whole object of centralisation of marketing activities, both long and short term, and what Hill calls the operations support group, is 'to ease the burden on managers' who can then concentrate on developing their hotels. Campaigns such as the 'Winterbreak Week-end' are organised and publicised centrally as part of the general pricing strategy. Much of the purchasing, equipment and food, and staff training *are being organised centrally*.

"We are rather concentrating on exploiting what we have," says Hill, and this has taken the form of finding extra space, as in the Charing Cross hotel, or modernising the restaurants and offering new services. "I think we are the biggest sauna *owner in the country now*," says Hill. Physical expansion by opening new hotels was recently *discouraged: at the beginning of* 1971 the Government refused to let the BTH open a new hotel at Gatwick. "*There is no point* in shedding tears over that," remarks Hill who at the end of *1972 signed a sales agreement* with two European hotel chains. If you are not allowed to com*pete one way, you try another.*

Turnover in catering is now running at a rate of £25m. per annum and hotels at £17m., which is a good improvement in catering but only a modest one for hotels, none of which actually make a loss. "The past season has been very difficult for everyone in the trade," says Hills, who has just become vice-chairman of the Board of Management of the British Hotels and Catering Association —some compliment to BTH's new professional standing in the industry.

The new image of British Rail catering—Travellers-Fare—as the customer finds it: Twiggers Coffee House in the Great Eastern Hotel, London.

EMPLOYEE BENEFITS

The teachers suffer

BY DRYDEN GILLING-SMITH

THIS AFTERNOON the mismanagement of one of Britain's largest pension "funds" is going to be attacked by the Opposition in a four-hour Commons debate. *If party loyalties are left aside* the Government could well face defeat on a problem which it *inherited but so far has not* taken seriously.

The "fund" in question—covering nearly ½m. teachers—contravenes all the principles which the Government wants to impose on private employers through the 1973 Social Security Act.

Teachers, under the 1918 H.A.L. Fisher Education Act, were given the same non-contributory pension rights as civil servants, but in 1922 the Government imposed a 5 per cent. pay-cut in *disguise by making teachers con*tribute 5 per cent. of salary towards their pensions. Later it was agreed that employers (mainly local authorities) should also contribute 5 per cent. and that the Government *should* act as banker for the reserves, paying 3½ per cent. in perpetuity on *the money held.* The "*notional*" pension fund was to be "valued" periodically by the Government Actuary *as if it were a real fund.*

In the post-war years this fictitious fund began to be taken *seriously by the Government.* Although it continued to produce a healthy year-to-year cash *flow surplus the prospective* deficit shown up by the "valuation" was used as a pre*text for raising teachers' con*tributions to 6 per cent. in 1956. Local authority contributions *were likewise increased, and a* further 2½ per cent. was put on to the employers in the mid-60s. *It was inevitable that increase* after increase could be expected in teachers' pension "costs" and even so teachers were refused basic benefits such as widows' pensions, and recognition of war service, unless they paid themselves.

The "costing" of benefits on this basis is nonsense. In a properly invested scheme inflation affects pension costs and underlying investments in a parallel manner. The actuary therefore knows that he can offset his increasing pension liabilities against a combination of capital appreciation and increased yield. But if he has no real assets and all his "investments" are fictitious War Loan, he is up the actuarial creek.

Furthermore this is one of the worst examples of pension fund lending money at subsidised rates of interest to the employer's business. It has been argued that the Government as employer is different because it cannot (in theory) go bust, but this argument misses the point. If the Treasury is taking vast sums of teachers' money and not giving the teachers a fair return *it is indulging in sharp practice.* Experience has taught the teachers (and the doctors and *dentists who have a similar* phoney fund) that the only safe answer is a properly invested *fund with 50 per cent. teacher* control.

The extent of the teachers' loss can be seen in the table which is based on the last three Government Actuary's reports. The second column shows the return on funds invested arising from interest payments and capital appreciation (or depreciation). The third is the excess of contributions over payments; the fourth, the notional value of the "gilt edged" fund at year-end. The final column has been calculated using the de Zoete equity indices. The £1,300 difference between the notional gilt and equity funds is some measure (as Terry Casey, general secretary of the National Association of Schoolmasters, says) of the extent to which teachers have been robbed.

In practice a true fund would be expected to out-perform a single sector's average by getting the "right" mix of equities, property and fixed interest stocks. So the £1,300m. is a considerable understatement of the teachers' loss. Furthermore the 1971 balance is based on an FT index of 350. The fund, at the start of 1973 would have been up to £4,340m. without the addition of the last two years' new money.

The National Association of Schoolmasters has led the campaign for reform among teachers' unions. Two weeks ago it brought 10,000 members to Westminster to lobby MPs. The Government could easily defuse the situation by overriding Treasury objections without costing the taxpayer or the ratepayer any significant sum. Restitution could be made by floating an issue of Teachers' Pension Bonds at the going rate. It could even be useful to the Government to demonstrate to less sophisticated trade unions that something can be gained in Stage Three by bargaining on pension rights rather than pay.

Year	Yield plus appreciation of funds invested (%)	Contributions less expenditure (£m.)	Notional end-year value of: Gilt Edged fund (£m.)	Equity fund (£m.)
1961-62	−1.6	22	775	1,327
1962-63	+0.3	26	836	1,357
1963-64	+31.8	25	900	1,814
1964-65	−4.0	21	964	1,762
1965-66	+7.8	26	1,037	1,925
1966-67	−6.1	36	1,125	1,844
1967-68	+35.2	37	1,220	2,530
1968-69	+38.5	34	1,320	3,539
1969-70	−14.3	39	1,433	3,072
1970-71	−8.3	46	1,568	2,859

...UR BUSINESS PROBLEMS

...state agents charges

...OUR LEGAL STAFF

...ing to your reply headed ...nsation moneys (Nov. 7), ...ms to me that legal and ... agent's charges in connec-...ith a purchase of another ...ty by a company whose ...remises had been compul-... purchased are capital ...es. If this is so, how do ...xplain your statement if ... will be allowed against ...?

...agree that legal and estate ... charges in connection ...aking a lease of business ...es are strictly capital ...iture but in practice the ... Revenue do allow such ... *incurred in renewing* ... for less than 50 years. ...or example Simon's Taxes ... para B1 1215). Although ...uerist was not, strictly ...e, concerned with a re-... we feel that the Inland ...e would also apply this ...e in the circumstances ... *former* premises were ...sorily acquired.

...his point is a matter of ...e practice rather than law ...vidual Inspector of Taxes ... adopt a different view. Accordingly, the matter cannot be entirely free from doubt which is why the answer to the original query was given as a statement of opinion rather than one of fact.

In practice, additional costs caused by the removal are normally taken into account in fixing the amount of the compensation and in our experience where this happens the normal practice of the Revenue is to tax the full amount of the compensation and allow the relevant expenditure as a deduction.

Tax on a visitor

Can a non-resident take up a temporary appointment in the U.K.—*providing it is not for* more than the three months allowed each year? What would the position be *concerning* income-tax?

A visitor who has accommodation available here will be regarded as resident for any year in which he comes to the U.K. however short his visit may be. However, even if he has no accommodation available here he will still be regarded as becoming resident after his visits for four consecutive years have averaged three months or more a year. If it is clear when he first comes that he proposes to make such visits, he may be treated as resident and ordinarily resident in the U.K. from the start. Whether the person is resident or not the emoluments of a U.K. employment will be taxable in the U.K. unless exempted under any provision in the double tax treaty between the two countries, for example certain visits for teaching purposes.

Payments to retiring partner

When making payments to a retiring partner, my firm has abolished goodwill, and replaced it by payments for a fixed period, based on profits. Where a retiring partner appoints somebody to receive these payments in case of his death, would these be dutiable? Would they be treated as a separate estate?

The situation which you describe suggests that there would indeed be a charge to duty on the payments substituted for goodwill. Much may depend on the precise formulation of rights and liabilities. It might be desirable for your firm to consult solicitors (and possibly counsel) specialising in estate duty matters so that the consequences of the new system can be fully appraised.

Dividends from Australia

How do I show dividends received from Australia in my tax return? Should they be shown in Australian currency and if not at what rate of exchange do I convert them?

You can show the dividends in your tax return at the amount received in Australian currency with details of the tax suffered at source.

The Inland Revenue will then convert the dividends into U.K. currency at the average rate of exchange during the tax year.

Insurance tax concessions

In your report of the Labour Party conference on October 4 you state "Mrs. Barbara Castle told the conference tax concessions for private medical insurance would be ended." Could you say what these concessions are? Would subscriptions to a scheme such as BUPA qualify for any tax allowance?

An employee paying subscriptions to BUPA, or similar organisations, will not usually be allowed tax relief on them. The rules for deductions from business profits are, however, not as restrictive, so employers can obtain tax relief if they can show that the payments were wholly and exclusively for business purposes. However, any employees for whom they are paid may be taxed on the "benefit."

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WEDNESDAY NOVEMBER 28 1973

The effect on sterling

THE STERLING rate against the dollar fluctuated sharply yesterday and finished not only off the bottom—but actually higher on balance—thanks partly to some disappointment in the market about the latest improvement in the U.S. balance of payments, partly to timely intervention by the Bank of England, and partly also to rumours of a softening in the attitude of Arab oil producers. Against the Smithsonian currencies in general, sterling is below its recent high but also above the low levels of September and October. The recovery in the pound and dollar caused by calculations of the relative effect on the U.S. and U.K. economies of a widespread oil shortage has been only partly offset by the announcement in both countries of more stringent measures to regulate supplies.

It is clear from the behaviour of the markets, however, that they are in a highly nervous state. The commercial factors which normally regulate exchange rates are still at work, but they are at least matched by the possible result on different countries of action by the Arab oil producers on the supply of oil and the investment of reserves. Since this action is unpredictable and the market's assessment of its impact is constantly changing, a return of settled conditions is not to be expected in the immediate future.

Payments deficit

Whether or not the U.K.'s immediate fuel position is more favourable than that of some competitors, and whether or not it is true that the cost of larger oil payments on current account will be partly offset by a larger inflow of Arab short-term capital, the undeniable fact is that we have been caught by the crisis with a large balance of payments deficit and that sterling is therefore bound to come under attack from time to time. The tightening of credit and the raising of interest rates which accompanied the publication of the last, depressing set of trade figures was due not only to the need to restrict the growth of the money supply for domestic reasons but to the exposed position of sterling, especially with the U.S. balance of payments at last improving and the dollar strongly on the mend.

It remains to be seen whether or not there is a general hardening of U.S. interest rates to diminish this advantage and how far the exchanges are affected by short-term capital movements made on political rather than commercial grounds. The behaviour of the sterling/dollar exchange rate is of particular concern because the guarantee offered to official holders of sterling balances in the late summer was expressed in dollars and at a rate considerably higher than that at which the pound now stands. The longer the present relationship between the two currencies persists (and still more, of course, if the sterling rate worsens) the higher will be the cost of these guarantees.

Common problem

But it is the rating of the pound against currencies in general which matters more—and not merely because there is now outstanding a large and growing volume of public sector loans whose value is guaranteed in foreign exchange. The effect of high world commodity prices on the U.K. terms of trade and balance of payments has been aggravated already by the drop in the sterling rate. At its present level, sterling is an undervalued currency in trading terms. Any further fall in the rate would certainly be to our disadvantage, especially if a shortage of oil limits the scope for increasing the volume of exports. The Government will rightly be anxious to avoid it.

The fact that its ability to control the rate in present circumstances is limited only further emphasises the international character of the present crisis and the need for internationally-agreed means of meeting it. There is a clear danger that different governments will tend for different reasons to react to the situation by seeking to cushion its impact on their own balance of payments. It is of the utmost importance that they should not be forced to act unilaterally and so increase the risk of competitive action which will harm everyone, developed and underdeveloped countries together. Last week's meeting between Finance Ministers, it is to be hoped, took this as its brief.

A suitable case for fuller scrutiny

IN THE context of the Government's new policy towards mergers, as set out in the recent statement by Sir Geoffrey Howe, the decision to refer Boots' bid for House of Fraser to the Monopolies Commission is entirely logical. The Government has made it clear that it is sceptical about the benefits of mergers, especially those involving very large companies. This attitude is based not only on anxiety about the accelerating trend towards concentration in British industry, but also on the well-known management problems involved in large-scale mergers.

Not convinced

The practical consequence of the Government's new line is that any merger above a certain size is likely to be referred to the Commission unless there are compelling industrial arguments for allowing it to go through. Just what the qualifying size may be remains vague, since the Government has rejected the idea of establishing criteria which would automatically determine whether or not a reference should be made: each case is considered on its merits. In the Boots' case it is clear enough that the Office of Fair Trading (the body which now examines merger proposals and advises the Minister on reference) was not sufficiently convinced by the argument that the application of Boots' merchandising skills to an entirely new sector of retailing would be good for House of Fraser and, by implication, for the public interest.

The Government is right to refer this bid to the Commission. The proposed merger raises genuine doubts which justify a fuller examination. The delay will be awkward for the two participants (the Commission has been allowed five months, but should not need as much as this), but if they are totally convinced that the deal makes sense they should be prepared to put up with the delay, and defend the proposal before the Commission. As Sir Geoffrey Howe has emphasised, the trend to-day is in the direction of greater disclosure. The decisions of large companies are a matter of legitimate public concern, and scrutiny by the Monopolies Commission should be accepted as a necessary constraint.

If the Government's policy is to be understood and accepted by businessmen, two things are required. It must be applied consistently, and as much light as possible should be shed on the reasons for non-reference decisions—if not at the time of decision, then in subsequent reports by the Director-General of Fair Trading. Assessing the likely consequences of conglomerate mergers is a very difficult judgment, and it is easy to be proved wrong by events. To the extent that these mergers are actually studied by the Commission (and not dropped as soon as the reference has been made), the Commission's reports help to clarify the issues at stake; the recent report on British Match/Wilkinson Sword was useful in this respect.

More references

The power to refer or not to refer remains, nevertheless, an important weapon in the hands of the Government, and it is at this stage of the merger-vetting process that the need for consistency is paramount. Sir Geoffrey Howe has indicated that the number of references may increase, and the decision to refer London and County Securities' bid for Inveresk showed that it is not only the very large mergers which arouse the Government's concern. It is at this lower end of the scale, where the problem is to decide whether the acquired company is important enough to warrant a reference, that the task of selection is likely to prove most difficult.

It looks as though the electronic revolution has at last arrived—dominated by U.S. forces. But a European counter-attack, especially on the political front, may not be far away.

Gunfire in 'Silicon Gulch'

BY CHRISTOPHER LORENZ, recently in the U.S.

AFTER A year which has surpassed all expectations, the world's leading manufacturers of electronic components are at last beginning to believe their own well-worn propaganda—that the "electronic revolution" has really arrived. They have spent 1973 upgrading their sales forecasts from month to month, so that the American semiconductor industry—which supplies about half the world's transistor and integrated circuit requirements from U.S. factories and a further 15 per cent. from overseas plants—now expects worldwide consumption of semiconductors to exceed $3,650m. (£1,500m.) this year, an increase of a third over 1972.

The consensus of U.S. manufacturers' views on the outlook for the rest of the decade (given in Table I) reflects their belief that the market really has taken off, and that semiconductors—and especially integrated circuits—will be used soon as key components by every manufacturer of motor vehicles, washing machines, televisions, telephone equipment and a wide range of industrial instruments as well as by the computer and calculator makers who are to-day's best-known users.

Economic patterns

After all the years of publicity, few people still need to be told of the effect the electronic revolution could have on everyday life. "Enhancing the status of the individual, freeing the brain to think" are two of the vaguer (and more questionable) claims regularly put forward.

Less attention has been paid outside the narrow confines of the electronics world to the effects of the revolution on the industry itself, but the realisation is beginning to dawn that integrated circuits in particular may soon enter the realms of high international politics because of the danger of excessive U.S. dominance.

The importance of the integrated circuit was described concisely by Mr. Robert W. Sarnoff, head of RCA, in a recent speech at the Albert Hall. "Recent research and development in solid-state electronics has led to large-scale integration—the forming of active transistor elements by the thousands of minute chips to create extensive circuits and even complete computers within the space of a few millimetres," he said.

"This new technology has evolved with surprising speed. Until about 1960, transistors were used as discrete [separate] elements, costing perhaps £6 each. To-day, as many as 10,000 of these can be incorporated into a single integrated circuit costing from £4 to £8. At the current rate of progress, units containing 1m. elements should be on the market in the same price range by 1980."

The rise of integrated circuits (or "microcircuits") has been just as phenomenal as that of their precursor, the transistor—the most significant of the discrete semi-conductors. Records of U.S. factory sales of integrated circuits began in 1963, when shipments totalled less than $16m. The increase of almost 60 times in their value since then disguises a much greater increase in volume, since prices have tended to fall year by year, and were further depressed in 1970-1971 by the massive overcapacity which resulted from a severe world-wide recession in the computer industry.

Domination by U.S.

The Americans dominated the integrated circuit business from the start. Benefiting from the indirect effects of Government military and space programmes, and aided by the readiness of a few men to take enormous risks, they grew much faster than the European component suppliers. The Europeans—including the British—can claim a number of innovations, but the basic discoveries were made in the U.S. and quickly exploited there.

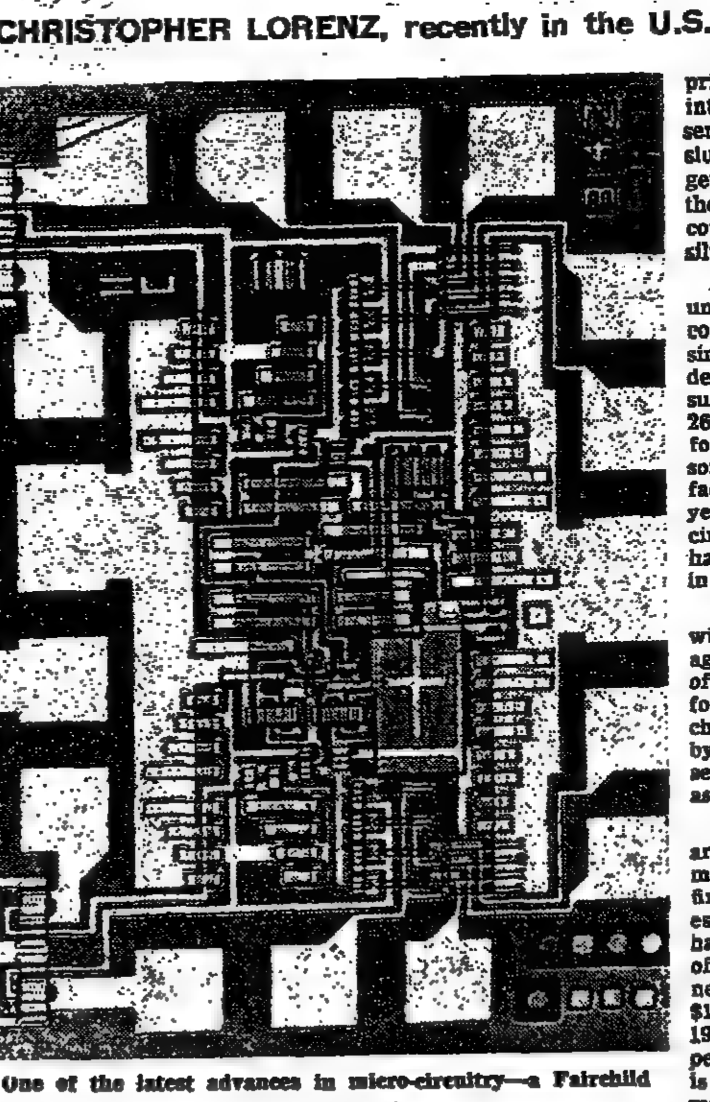
In terms of size, the open world market for all types of semiconductor is now dominated by four U.S. manufacturers. (The companies do not disclose detailed breakdowns of their business, so the best one can do is estimate.) Texas Instruments, with a turnover of $900m.-plus, is the clear leader—with a semiconductor business of about $500m. Motorola's semiconductor sales are around $400m., about a quarter of its total business. Then follow Fairchild Camera with this year's estimate of $360m. (three-quarters of its business) and National Semiconductor, which concentrates almost entirely on semiconductors.

Captive markets

Like the two tables, this order of merit covers only the open market, excluding companies which manufacture entirely for their own in-house needs. The two main examples here are IBM and Western Electric (the manufacturing arm of AT and T), which are thought to make $300m. to $400m. and $250m.-worth respectively. If these "captive markets" are included, the consensus forecast for the semiconductor market in 1980 would rise from the $7,900m. shown in Table I to about $9,300m.

The world centre of the semiconductor industry is a small area on the West Coast of the U.S. just south of San Francisco. Nicknamed "Silicon Gulch" (silicon is a basic semiconductor material), it now houses about 300 electronics companies. On the edge of the "Gulch" are such well-known names as Fairchild and National Semiconductor. Within it are a number of smaller firms which have exploited particular types of integrated circuit technology to get one step ahead of the big four in certain limited areas. Their rate of growth has been phenomenal.

The list is long, taking in Mostek, Advanced Micro Devices, Intersil, Intel and many more. Intel's performance has been the most dramatic, with sales up from $2,700 in 1968 through $9m. in 1971 to around $60m. this year with the help of a computer memory circuit which Intel invented and which has become a standard product in the industry. In the past two years the company's earnings have rocketed from minus 14 cents a share to an expected $1.60 in 1973. Not for nothing did it carry a glamour price/earnings tag of over 30 into the autumn. Since then semiconductor stocks have slumped as a result of the general Wall Street slide and the added fear that the industry could be hit by a threatened silicon shortage.



One of the latest advances in micro-circuitry—a Fairchild Isoplanar II product.

TABLE I

THE WORLD SEMICONDUCTOR MARKET* ($m.) (DISCRETES AND INTEGRATED CIRCUITS)

	1974	1976	1978	1980
Worldwide	4,305	5,430	6,545	7,900
U.S.	1,869	2,244	2,603	2,800
W. Europe	953	1,227	1,457	1,900
E. Europe	480	660	830	1,000
Japan	767	992	1,276	1,800
Rest	236	367	379	400

* Excluding China and all "captive markets."

TABLE II

THE WORLD INTEGRATED CIRCUIT MARKET† ($m)

	1973	1975	1978	Annual percentage increase
Worldwide	1,577	2,185	3,251	+21%
U.S.	919	1,171	1,629	+15%
W. Europe	367	550	850	+26%
Japan	251	390	651	+32%
Rest	40	74	121	+41%

† Excluding E. Europe, China and "captive markets."

A major factor behind the universal explosion of semiconductor companies' profits since early 1972 has been that demand has run well ahead of supply. Shortages of more than 26 weeks have been common for at least 12 months, and some unlucky equipment manufacturers have had to wait a year for delivery of some circuits. As a result, price levels have stabilised for the first time in the industry's history.

The normal downward trend will resume when capacity again exceeds demand. In spite of next year's buoyant market forecasts, Tom Longo of Fairchild thinks this could happen by late 1974. Unworried, he sees 10 per cent. overcapacity as "normal" in the future.

Massive increases in capacity are already on the stocks. Coleman and Company, a leading firm of Wall Street brokers, estimates that the big four will have a joint capital expenditure of $235m. in 1973 and $200m. next year, compared with $115m. in 1972 and $165m. in 1969, the previous investment peak. Much of the expansion is outside the U.S. either in manufacturing plants in Europe (such as Fairchild in West Germany and Motorola in Scotland) or at Far East assembly facilities (Fairchild in Korea).

Computer industry

The last time the industry enjoyed a boom was in the late 1960s, shortly before the 1970-71 slump which took several small companies to the wall and some larger ones perilously near it. Fears of a new plunge were rife earlier this year, but since then the message has struck home that the semiconductor business has changed character in several significant ways in the past few years, making such a disastrous slump less likely—so long as the oil crisis does not drive the U.S. economy into a serious recession.

The most important change is that the industry is no longer almost entirely dependent on a single customer—the computer industry. It was the 1970-71 recession in the computer mainframe business which dragged semiconductors down with it. Since then a number of new markets have opened up. Microcircuits are being used increasingly within computer memories and peripherals, both of which are faster growing and seem less subject to a slump than mainframes. Equally important are the development of communications applications and a number of consumer-related markets. Calculators, TV and ph[…]graphy have already be[…] major users, with dom[…] appliances and watches expe[…] to follow suit.

A major question mark ha[…] over the automotive ma[…] This has been seen reac[…] $1,000m. in 1980 by people […] as Mr. C. Lester Hogan, F[…] child's chief executive, but […] application of electronics to […] injection could be delayed […] Detroit goes for the Ho[…] engine, and if the oil crisis […] rupts the motor industry's […] ward planning.

Probable battleground

The large-scale integratio[…] elements on a chip which […] opened up these markets […] miniaturising complex sys[…] has begun to break down […] traditional barriers betw[…] manufacturers of electr[…] components and their cu[…] mers, the "end-equipme[…] makers. Semiconductor spe[…] ists such as Texas Instrume[…] and Intel are moving in […] direction of forward integra[…] —into calculators (Tex[…] microcomputers (Texas […] Intel) and even retail termi[…] (National Semiconductor[…] while equipment manu[…] turers such as IBM and Gen[…] Motors have plunged de[…] into semiconductor manu[…] ture, and RCA looks like […] lowing suit.

Politics provide a much […] probable battleground. […] Americans are concerned […] the EEC member states […] seize on the growing import[…] of microcircuits and pro[…] nationalistic purchasing poli[…] The spate of new facto[…] across Europe is part of the […] companies' attempt to head […] protectionism, but few of […] appear willing to concent[…] part of their design faciliti[…] this side of the Atlantic, a p[…] condition if Europe is to c[…] the semiconductor gap.

The following excerpt from […] internal memorandum c[…] lated by one of the leading […] semiconductor companies […] presses an extreme—but wi[…] held—view of the future ro[…] Western Europe in the b[…] ness. "United States, In[…] multi-[…]onal marketing lea[…] ship (…mination of world […] kets with exception of Ja[…] technological leadership (" […] of the art" product and pr[…] automation developments […] perpetuate technological do[…] ance)."

In contrast, "Western Eu[…] Ltd." is endowed by the […] ment with the following d[…] ful attributes: "market vu[…] ability (U.S. will dominate W[…] ern European market thr[…] on-site fabrication); and t[…] nology base limitation." Sie[…] and Philips, Europe's two […] semiconductor houses, w[…] doubtless disagree. But as […] there is little sign that they […] be able to mount an effe[…] challenge to American dom[…] tion.

MEN AND MATTERS

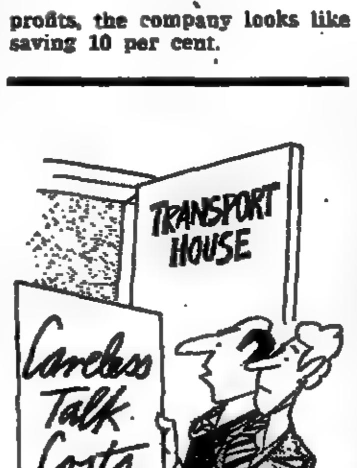
Baring the brunt

It seems that the more acceptable face of capitalism may have had a small triumph yesterday. Back in January 1970, it may be remembered, Baring Brothers made a small piece of City history by offering to buy back shares in a new flotation, Home Counties Newspapers, when it failed to meet its profit forecasts. The newspapers had run into an unexpected advertising shortfall, and Barings, says Home Counties' chairman, William Gibbs, "stood by us extremely well."

Since then Barings has hung onto most of the shares it was landed with, a total of 35 per cent. including those left with the underwriters, for the best part of three-and-a-half years. Then, over the last few months with the share price at its most buoyant ever, it began to sell, getting rid of the last 25 per cent. yesterday to County Bank, the NatWest subsidiary. Although County Bank claims to have bought below Monday's 78p. Barings still, it says, made "an acceptable return." The new issue price, at which Barings bought back the shares, was 55p. So it looks as though Barings has not gone totally unrewarded for what Gibbs calls its "generous gesture."

But what of Home Counties and its group of local newspapers? Times have changed since 1970, when it made a pretax profit of £105,000 against its forecast of £225,000. In 1972 it made £485,000 (against a more modest forecast of £460,000); and this year, says Gibbs, it has been benefiting like everyone else from the buoyant conditions. But, like the Government, it has had its own problems of success: since Barings is a close company, and there has been another large, 57 per cent. stake in Home Counties through Gibbs' family company, County Newspapers, Home Counties has itself been a close company.

Thus it fell under the tax regulations stipulating distribution of at least 50 per cent. of net profit after tax. Not a happy prospect, perhaps, for Gibbs, who is keen on expansion, and has profits rolling in again to fund it. And when the Government has come up with a policy of dividend restraint for other companies, what better time to lose the close company status?



"Harold ordered it to declare with the emergency."

Tax games

At last, a happy oil story. The Dutch newspaper, Het Financieele Dagblad, has unearthed the point that in view of an oddity in the tax agreements between Britain, the U.S. and Holland, BP's Alaskan output, when it comes, will be of significance to the Dutch tax collector.

If BP were to transfer its U.S. dividends directly to Britain, it would have to pay 15 per cent. dividend tax in the U.S. But if it transfers the dividends to British Petroleum (Overzee) NV—the existing holding company of BP's American interests—the tax would be only 5 per cent. From Holland, if the dividends are transferred to Britain, the Dutch tax man lops off 5 per cent.

In that case BP would still, it seems, save 5 per cent., but BP in Amsterdam stresses that the main reason for the U.S. transfer is that it had never been the intention to remit all the money back to Britain. It will be kept in Continental Europe to finance activity there. On that proportion of Alaskan profits, the company looks like saving 10 per cent.

Left hand right hand

The National Freight Corporation, as one would expect of a nationalised body which is our largest operator of road haulage, has taken the fuel shortage seriously. Its plans, announced on Monday, include the consolidation of loads and the appointment in each NFC company—British Road Services, National Carriers, Pickfords Removals, etc.—of a senior manager as Fuel Controller. But the key, when considering what it must be like to drive hundreds of miles of motorway at artificially reduced speed, may well have been the offer to lorry drivers of prizes to those who achieve the highest mileage per gallon.

It looks as though those prizes will never be awarded. For another arm of government, the Pay Board, will probably take the view that such prizes are contrary to Stage Three. The relevant paragraph, dealing with New Schemes, of the Stage Three legislation was not phrased with national emergencies in mind. It deals with efficiency payment schemes (including payment by results or restructuring schemes). The stumbling block to fuel savings schemes being exempt from the 7 per cent. or £2.25 limits looks like being the condition that the net saving from any efficiency schemes must be "sufficient to reduce unit total costs and unit labour costs below the level they would be but for the introduction of the scheme."

National Freight meant to put a rider, to the effect that the prizes were subject to Pay Board consent, into the announcement of its fuel saving plans. This unluckily got left out, but the nationalised body is not alone in its embarrassment, for several private sector transport companies have taken the view that some incentive to drivers is essential to conserve fuel and want to act accordingly. All the cases might be subject to the complication of how close to Stage Three limits the drivers' basic pay increases come. But although National Freight was still in debate on the matter yesterday and not prepared for official comment, it looks as though only voluntary restraint from drivers can be asked for.

It's a record

Heard in the City yesterday morning: "The only thing hitting new highs is the list of new lows."

Observer

Germany's choice: stability or jobs

From MALCOLM RUTHERFORD, in Bonn

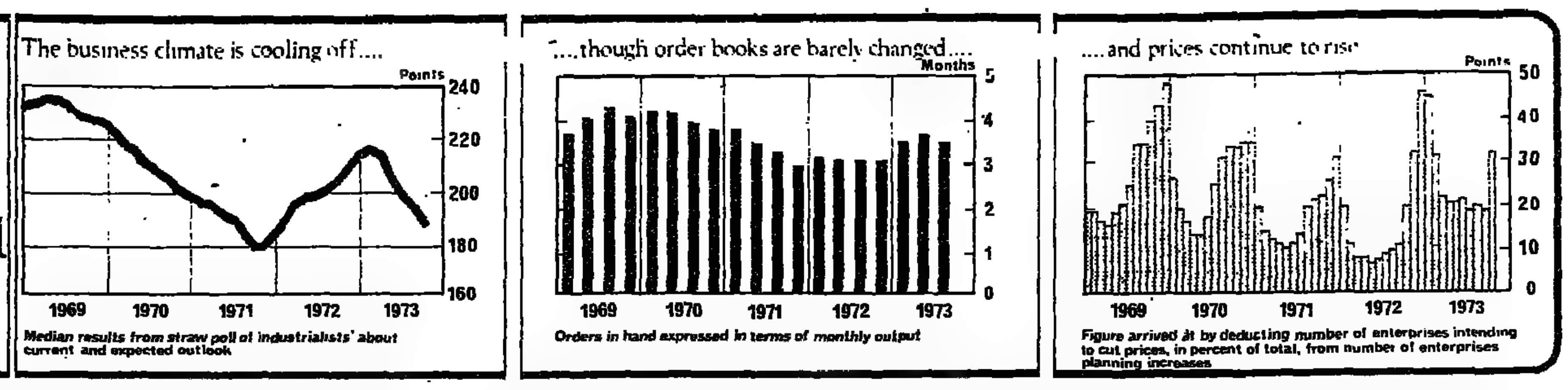
OVER THE past few weeks West Germany's chances of regaining economic stability have worsened considerably. So, too, have the prospects for maintaining the country's traditionally high level of employment.

The oil crisis has not been entirely responsible for this, though it has greatly added to the uncertainties. The announcements of short time at Ford, and now Opel, would probably have come in any case. So would the production cutbacks at Hoechst where the company was already suffering from a shortage of raw materials before the Middle East war broke out. Yet although nobody knows how bad the energy situation will become, it is already clear that it has made much more difficult what was never going to be an easy period for economic management.

Six months ago the Government announced its second stability programme designed to check the boom and control inflation. The measures included a surcharge on high income and on corporation taxes and an 11 per cent. tax on corporate investment, plus full support for the Bundesbank's tight credit policies. Ministers said at the time that it would be towards the end of the year before they were seen to be having an effect.

The German Industrial Outlook

Source: IFO-INSTITUT



Surpluses

A few weeks ago this seemed to be coming true. The year on year increase in the cost of living came down from 7.9 per cent. in June to 6.4 per cent. in September. The authorities were able to announce a series of record trade surpluses (including DM3,800m. in September alone) without causing the usual upheavals on the exchange markets — no doubt because the belief that the Deutschemark was over-valued had gained ground and the economy was known to be turning down. Equally on the credit side, the measures succeeded in bringing to an end four years of boom in the construction industry, which had led to some dubious practices and rising prices. There were also signs that the country was moving quietly from "over" employment to what most countries would call full employment.

The Government's measures had not been criticised for being too weak, but rather for being too harsh and risking the danger of "overkill." The onset of the oil crisis made this danger all the more acute. Between mid-September and mid-October the cost of living index rose by 0.8 per cent. taking the annual rate of increase back to 6.6 per cent., partly because of a sharp rise in the cost of heating oil. Industrial producer prices, scarcely affected yet by the due rise in oil prices, rose 0.6 per cent. in October and the index was up 7.2 per cent. on October, 1972.

The month also brought the highest October level of unemployment since 1967—the last year of recession. The number out of work was up by 47,700 on September to 267,700 or 1.2 per cent. of the labour force. The number on short time almost doubled to 67,760, more than half of whom were in the clothing industry. The short time figure was more than four times up on October last year. Yet all this was at a period when the oil crisis seemed no more than a shadow on the horizon and the Government was doing its best to play it down.

Still, there is no doubt that industry was already getting worried, as is shown by the results of the October *konjunturtest* of the independent IFO institute in Munich. One of the few bright spots in the findings is that export demand is still strong. Seasonally adjusted export orders in August and September were up 13 per cent. on last year, giving some compensation for what in general amounts to stagnation at home. The stability programme affected not only investment, but also private consumption. The retail trade is depressed with sales in the first three-quarters of the year down 3 per cent. in real terms *on the comparable period of* 1972 and the prospect of only a limited upturn in the pre-*Christmas period.*

Contracts

The returns from manufacturing industry show a trend towards shorter order books, a lower utilisation of capacity and *expectations of further price* increases. On average plant utilisation declined from nearly 88 per cent. in July to 86 per cent. and in the clothing industry alone from nearly 90 per cent. to 81 per cent. In the capital goods sector, order books are now described as below normal and there are forecasts of cuts in output. Even on the electrical side of consumer durables, which had been holding up well, the situation has declined from "good" to "satisfactory." The outlook is regarded as unfavourable for mechanical engineering, private cars, furniture, ceramics, textiles and clothing. Expectations of price increases were not confined to industries heavily dependent on oil.

As IFO adds in a comment, the more depressed situation has so far had no impact on either prices or incomes policies, and this is the rub. Almost half the total work force in the country is due for new wage contracts around the turn of the year. The negotiations affecting the 220,000 Ruhr steel workers have already begun with the union demanding 15 per cent. The employers have so far made two alternative offers: either a straight pay increase of 11 per cent. plus fringe benefits taking it to 13 per cent. and to run for one year, or a straight increase of 9.9 per cent. to run for only 10 months.

Leaving aside the long ritual of threat and counter-threat which has come to accompany German wage negotiations, this suggests there is going to be a settlement of more than 10 per cent. and possibly a further reduction in the length of wage contracts. (*Not so long ago* they ran for two years or more.) At present, the steel industry is still enjoying an unusual boom and the union is arguing that the companies can afford to pay. Last time, however, the steel settlement simply set the minimum level for those in other sectors and the level of settlements rose steadily as the year went on. In theory, this pattern should be expected to repeat itself, for steel is not normally a high-flier.

The Government knew the present period of high wage claims was coming. It always was seen as the testing time for the stability policy with the authorities hoping that their successful attempt to reduce inflation, combined with a rather less tight labour market, would help to bring wage settlements down. So far there has been no sign of this happening, and meanwhile the success of the stability policy has become less assured.

Settlements

The best thing to do now might be to sit tight in the hope *that the wage negotiations drag* on while the effects of the oil crisis become clearer. If there *are more redundancies and* more short time, the argument could go, surely wage claim *settlements will become more* moderate.

On the whole, this is what the *Government is doing,* though not without showing its anxiety about the employment situation. Officially, the word is that the restrictive policies will remain in force, but there have been enough relaxations from both Bonn and Frankfurt to suggest that a policy of cautious and selective reflation is under way. The Bundesbank itself gave a sign when it declined to mop up all the excess liquidity which arose from supporting the French franc in September. The capital market rate has come down and the Bundesbank has restored Lombard credit—for loans to the commercial banks against a *collateral. Admittedly, this has* been done on a selective basis and at an interest rate of 13 per cent., but it is still a change from recent months when Lombard credit was stopped altogether.

Bonn has recently done rather more. Last week the *Cabinet approved interest sub*sidies to allow the building of 50,000 local authority dwellings, *which should do something for* the construction industry. It helped the textile industry by *lowering the quotas on the im*ports of some Asian textiles from the end of the year. (The *quotas had been raised as part* of the stability programme in May.) Thirdly, the Government *let it be known it has funds in* reserve for regional development projects and was pre*pared to use them to give a* regional boost when necessary.

Not least, the Government acted last week to halt the inflow of new foreign workers. There is little doubt that it was simply seizing the opportunity to do something it has wanted to do for a long time. The presence of 2.6m. *Gastarbeiter* (literally "guestworkers") comprising more than 10 per cent. of the labour force was creating serious social problems. But, in stopping the inflow, the Government was also signalling that jobs could be in danger and showing its readiness to put Germans first. The measure may also act as a further pressure on industry to rationalise, ending the habit of employing a Turk where a machine will do.

There has been one further change in recent weeks, the effect of which is still uncertain: *the decline of the Deutsche*mark. By early July the Deutschemark had been re*valued by more than 40 per cent.* against the dollar this year. On November 23 the figure had *fallen back to 21.8 per cent. The* weighted revaluation rate against 16 major currencies of countries which have a share of nearly 80 per cent. in West German foreign trade fell back from 19.6 per cent. on July 27 to 11.6 per cent. Even against sterling the Deutschemark's apprecia*tion moved down from 31.1 per* cent. at the end of July to 20.9 per cent. at the end of last week.

It is *too early to say whether* this will be a lasting development, but at least the old *maxim,* "*the* Deutschemark is always safe," is beginning to be questioned. Possibly the decline is *healthy in that it will help* German exporters worried about the future, yet it will also add *to inflation by pushing up* import prices, especially of raw materials. Maybe, as the independent Economic Advisory Council suggested last week, the oil crisis will prove of short duration and some of the uncertainties will recede. But in the meantime the battle for *stability coupled with high* employment has become that much harder.

Weapons

There is no shortage of weapons at the Government's disposal, but it is beginning to look as if it will be very difficult for it to achieve both. If it comes to a choice, the Bundesbank no doubt would plump for stability, as it is empowered by law to do. Another part of the same law, however, obliges the Bank to support the general policies of the Federal Government and in the past week or two the priorities in Bonn appear to have changed.

There was no clearer sign of this than a *television interview* which Chancellor Brandt gave from Paris on Monday evening. "*If I had come here three or* four weeks ago," he said, "the main task would have been to *agree on defeating inflation.* Now I think it is to protect jobs." *In other words, the Chan*cellor *sees unemployment as an* even greater threat to political stability than rising prices.

Herr Brandt may be right. The Federal Republic has never known serious unemployment *since shortly after its founding* in 1949, but even the mini-recession of the mid-1960s led to *the downfall of* Chancellor Erhard and the temporary rise of the right-wing National De*mocratic Party.* Chancellor Brandt, it seems, has recognised some of the potential dangers, *but is still working on the* answers.

Labour News

Council manual workers offered 12.5%

BY JOHN WYLES, LABOUR REPORTER

MORE THAN a million local government manual workers were offered yesterday a 12.5 per cent. pay rise worth a total of £102m.

Union negotiators are to put the offer to their members over the next few weeks. A decision from the major union, the National Union of Public Employees, could be given within a fortnight following a series of area delegate conferences.

Although union leaders may put the offer without a recommendation, acceptance would be a major victory for the Government's *Stage Three policy.*

But it remains to be seen whether the package has any impact on the current ambulancemen's dispute over wage restructuring. Many ambulancemen stand to gain up to £4 a week on their earnings under the offer detailed yesterday.

Basic rates of all 315,000 local government full time male manual workers would be increased from November 7 by £2 a week while 134,000 full time women would be paid an extra £2.14 a week. But women would receive an additional 81p a week from January 1 by bringing forward equal pay increases originally due next September. More than half a million part time workers would qualify for pro-rata increases.

An *additional* 1 per cent. flexibility payments allowed by the Pay Code have been used to increase service supplements and holidays. Workers with more than five years' service would be paid an extra 30p a week and *receive an extra day's holiday,* those with more than ten years would be given an extra two days' holiday.

Further, many workers would qualify for additional rises for unsocial hours working.

In addition, bonus earners, currently receiving half their weekly bonus earnings with *their holiday pay, would be paid* full bonus earnings during holidays.

Finally, the employers have offered New Year's Day as a holiday—allowed by the Pay Code outside the pay limit—and *a cost-of-living threshold clause* which under the Pay Code could yield additional increases if the retail price index rises 7 per cent. above October's figure.

Ambulancemen

The offer covers a range of workers from ambulancemen, park and bath attendants to the largest group, the school meals service.

Current basic rates for full *time male manual workers range* from £19.85 to £23.15 a week. Women's rates range from £18.40 to £21.42 a week.

Gasmen looking for new pay and shift work deal

BY JOHN WYLES, LABOUR REPORTER

FRESH PAY pressure on the [illegible] front will emerge to-day *when union leaders of* 47,000 gas workers will lodge demands for increases in pay and shift allowances.

At to-day's meeting with the British Gas Corporation, leaders of the two gas unions will also be looking for a reply to their claim for special case "anomaly" increases.

The gas workers' current pay deal expires in mid-January and the unions will ask for unspecified increases on basic rates, which range from £21.90 to £25.68 a week, and on shift allowances. Their *demands* also include higher payments for long service workers and higher lead-in payments for workers not earning bonuses.

The claim comes less than a week after leaders of 105,000 electricity supply manual workers lodged their pay demands.

Under *the Government Stage* Three rules limiting basic rate increases to 7 per cent plus 1 per cent. for flexibility, gas workers could be entitled to increases in the range of £3 a week. Some workers may receive more under the Pay Code's unsocial hours provisions.

The gas workers staged a major challenge to the Stage Two rules earlier in the year, and prospects for a peaceful settlement of their latest claim may depend on whether they can qualify for *additional increases* under the current anomaly rules.

The unions want to take a case *to the Pay Board* for an extra £1.05p a week plus a cut in working hours and extra holidays *which they claim they would* have won but for Government policy because of traditional links with electricity supply manual workers pay settlements.

They argue that the Government pay freeze and Stage Two limits denied them *equal pay* and holiday concessions with the electricity settlement, which was made *shortly before* the freeze last November.

The Pay Board could rule that if anomaly increases are paid gas workers must wait until the electricity deal runs out in March before they are entitled to new general pay increases.

More Labour News Page 12

Bank calls in first special deposits

BY MICHAEL BLANDEN

THE FIRST instalment of the special deposits called by the Bank of England in the latest credit restraint measures will take some £140m. out of the banking system to-day.

The payment is not expected to make any substantial impact either on the money markets or on the banks themselves in the short term. It is likely to be about balanced to-day by a fairly liquid position in the money markets. The banks expect no difficulties in meeting the call.

The call is the first ½ per cent. of the further 2 per cent. special deposits imposed in the package a fortnight ago designed to reduce the rate of monetary expansion. The banks already had sufficient margin of reserve assets to meet the initial payment without too much difficulty, with the average reserve ratio at 13.8 per cent. in mid-October.

The signs are that after the sharp rise in lending by the London clearing banks in the month to mid-October there was a considerable slackening of the demand for lending even before *the latest measures. This sug*gests that the results of last week's monthly make-up by the banks will show that the upward pressure of lending has been considerably eased.

For the moment, therefore, it is thought unlikely that the big banks have been forced to bid high rates in the money markets for funds to meet the call for special deposits. The pressure is likely to increase in coming months, however, as the further calls are made.

Retail price index may be changed

BY JOHN HUNT

CHANGES IN the retail price index, including alterations in the weighting given to the cost of housing, are under consideration, Mr. Maurice Macmillan, Employment Secretary, told the Commons yesterday.

It is customary for the weighting to be revised each January, using the results of the family expenditure survey to update it.

The Minister said he had asked the Retail Prices Index advisory committee to re-examine the treatment of housing. It will also consider *the possibility of re-basing the* index, and will look at certain technical points on the methods used in constructing it.

Mr. David Stoddart (Labour, Swindon), said that to have a realistic price index was vital at the present time. The Minister should particularly look at *housing,* as the 12.5 per cent. weighting given to it at the moment was totally unrealistic.

From the *Conservative* benches it was suggested that the final weighting in the index should be looked at, particularly in view of the oil crisis, but Mr. Mcmillan said he did not think the index should be *tampered with too frequently* in order to take account of short range matters.

Manganese Bronze delays results

BY NICHOLAS OWEN

THE "exceptional strains" of *taking over the motorcycle in*terests of Birmingham Small Arms have delayed completion of Manganese Bronze Holdings' results for the year to July 31.

As a result, Manganese Bronze stated yesterday, the annual meeting called for December 20 will be adjourned.

The company acquired BSA's motorcycle side on July 16. Manganese Bronze said that results for the latest 12 months *would be "comparable"* with the previous year, although the figures will exclude MBH's original Norton Villiers motorcycle interests—which accounted for 40 per cent. of the 1971-72 earnings of £613,124 before tax —and will not take account of any of the BSA interests. MBH intends paying a final dividend *of 0.55p per share gross.*

The motorcycle interests of BSA and Manganese Bronze and Norton Villiers *were merged* under a new company, Norton Villiers Triumph, launched with £10m. of aid, including nearly £5m. from the Government.

At the same time, three non-motorcycle companies were absorbed direct into Manganese Bronze. "The major reorganisation has imposed exceptional strains at all levels of management particularly in the accounting functions," Manganese Bronze explained.

Recently, the BSA situation has been complicated by the closure of the Triumph motorcycle factory at Meriden, creating 1,750 redundancies—a move at first resisted strongly by the workforce. *Mr. Dennis Poore,* Manganese Bronze chairman, said that Meriden was shut because losses there were running at £3m. a year.

Heavy Eastern buying in Sime Darby

VERY SUBSTANTIAL Eastern buying of shares in Sime Darby Holdings appears *to have been* under way since the events of November 1 when Mr. Dennis Pinder, the group's chairman, was dismissed.

London market estimates suggest that 15m. to 20m. shares *may have passed from British* holders, including institutional ones, to buyers in the East in the past month.

The stability of the share price—until the last two days—during a time of continuing *major share sales is taken in* the market to point to a persistent large buyer or buyers in the East.

The price of the shares in London last Friday was 105p, the same as on November 1, *although this week there has* been a fall on the setback in international markets, the price dropping 2½p yesterday to 92p, after touching 89p.

COMPANY NEWS + COMMENT

Central & Sheerwood growth forecast

PROFITS AND earnings per share substantially in excess of £2.62m. and 3.5p respectively are forecast by the directors of Central and Sheerwood Trust for the current year. The 1972 figures were £2m. and 4.48p—the latter adjusted to reflect the effect of the new tax system.

In the first half profits, before tax, have advanced sharply from £782,000 to £1,310,000, and earnings per share are stated at 1.75p, compared with an adjusted 2.01p.

Second half profits and earnings are expected to exceed substantially those of the first six months.

A second interim dividend of 0.28p net—equal to 0.4p gross—is declared, making a total to date of 0.735p net—equal to 1.05p gross, the total paid for all 1972. The recommendation of a final will depend on the amount allowed by the Treasury in the light of existing legislation.

	Six months 1973 £000	1972 £000	Year 1972 £000
Group profit—			
Invest. banking	614	575	1,226
Financial services	129	202	343
Industrial	1,369	270	389
Total	2,112	847	2,164
Finance & admin.	803	65	166
Profit before tax	1,310	782	2,002
Corporation tax	630	313	800
Net profit	680	469	1,202
Minorities	118	12	64
Leaving	562	457	1,138
Pre-acquisition	30	0	68
Attributable	531	446	1,070

The directors state that profits accruing from financial services will be significantly higher in the second half—interim figures offer little guidance to the year's results.

Profits from industrial investments include, for the first time, a contribution from the Newton Chambers group achieved during a period of substantial reorganisation. Results for the second half will show the initial benefits of the reorganisation.

They explain that most of the increase in the finance and administration item is due to interest on additional bank borrowing. This has been eliminated by the sale of Izal for £13½m. early this month.

● comment

Once again a considerable amount of buying and selling has made any comparison in Central and Sheerwood's pre-tax figures a pointless exercise. A more meaningful analysis can be gained from a quick look at the earnings per share where there is a 13 per cent. shortfall, but even this is distorted by the reorganisation of Newton Chambers. exceptional finance charges—£13½m. was recouped by the sale of Izal—and a hold-up in the completion of a number of mergers. The second half should therefore be much better with strong chances of an overall earnings growth in 1973. But until the market shows a marked recovery, Central and Sheerwood is left with a rather fragmented batch of industrial companies—the aim is to float various companies separately — which is hardly designed to lift the shares from their depressed level of 31½p. where the historic p/e is 7.

INDEX TO COMPANY HIGHLIGHTS

J. Dykes expects increase

TURNOVER up from £2.47m. to £3.18m. and an increase in group taxable profits from £300,146 to £456,993 are announced by J. Dykes (Holdings) for the six months to July 31, 1973, and the directors expect the figures for the full year to show satisfactory increases.

For the year ended January 31, 1973, turnover was £5.47m. and group taxable profit £852,942.

The interim dividend is lifted to 0.55p net—0.7857p gross, against 0.75p equivalent. The previous total was equal to 4.375p.

	6 months 1973 £	1972 £
Group turnover	3,183,096	2,478,283
Profit	456,993	300,146
Tax	213,283	109,186
Attributable	243,710	190,960
Pref. dividends	3,918	3,923
Interim Ord.	19,475	26,358
Retained	220,317	135,779

The principal activity of the group is the manufacture of upholstered furniture.

Peak year for Abbey Panels

AN ADVANCE in group profit, before tax, from £355,342 to a record £472,208 is reported by Abbey Panels for the year to June 30, 1973.

Earnings per 25p Ordinary share are shown at 11.658p, against 11.390p. The total dividend is held at 16 per cent. gross with a final of 1.4p net, equal to an unchanged 2p gross.

The 1973 profit is before crediting £86,756 in respect of a trading debt less tax recoverable from Rolls-Royce. The 1972 profit is before charging £45,163 in respect of a provision for the latter debt less tax.

Turnover for the year was £3.16m. (£2.56m.) and net profit came out at £233,155, against £227,802, after tax £239,053 (£127,540).

Principal activities include the prefabrication of sheet metal units, press work, machining and tool making.

Matthew Brown's £1.78m.

GROUP TAXABLE profit of brewers Matthew Brown shows an advance from £1.31m. to £1.78m. for the year ended September 29, 1973. Earnings per 25p Ordinary share are up from 6.59p to 7.45p.

At mid-way, when a 30.1 per cent. advance to £0.77m. was reported, the directors said there was bound to be a "significantly lower increase" for the whole year.

The final dividend is the promised 1.7p net, equal to 2.4285p gross against 2.4p which lifts the total from 3.4p to 3.5714p.

	1972-73 £000	1971-72 £000
Turnover*	7,963	6,984
Profit before tax	1,784	1,512
Taxation	733	600
Net profit	1,031	912
Minority	1	1
Extraordinary credit†	—	100
Attributable	1,030	1,011
Dividends	346	470
Retained	684	541

* In order to give a fair comparison £499,000 VAT arising in the period April 1 to September 29 1973, has been included in the figure for 1973. † Special tax on intercompany property transfer.

● comment

Matthew Brown is 18 per cent. ahead pre-tax but that masks a second-half performance that—with profits up by a tenth on sales growth maintained at 14 per cent. —was inevitably duller than the first. Along with the industry in general, Brown is hoping for a quick price rise to offset some nasty barley and sugar bills in 1974. Moreover, with a high proportion of mild beer in the sales mix, perhaps 30 per cent., Brown has had less obvious scope for price flexibility. At 70p a net p/e of 11 would appear to rely upon net worth (say 75p) and upon Whitbread's equity stake for support.

Akroyd & Smithers down £1.3m.

TAXABLE PROFITS of stock jobbers Akroyd and Smithers show a reduction from £3.6m. to £2.29m. in the year ended September 28, 1973, after being down from £2.73m. to £0.9m. in the first six months. Earnings per share are stated at 67p, against 107.3p.

The 1972-73 profit includes a stock adjustment of £305,000 following agreement on the principles of valuation of certain stock positions with the Inland Revenue.

Turnover, being the aggregate value of sold bargains, was lower at £7,554m., compared with £8,837m.

The directors propose a dividend of 42p net per share on the Ordinary capital, after paying 42p net per share on the Preferred Ordinary capital—equivalent to 60p gross (1972 Prefered Ordinary 15p gross for three months, and Ordinary 30p gross for six months). Certain Ordinary holders have agreed to waive dividends amounting to an addition to retentions of £189,413.

After taxation £950,000 (£1,449,000), the net profit emerges at £1,340,000 (£2,146,000). Dividends absorb £651,000 (£525,000), leaving £689,000 (£1,621,000) retained.

Dominion & General

Gross revenue of the Dominion and General Trust improved from £187,462 to £223,619 in the six months to October 31, 1973, comprising £134,384 (£131,509) franked income and £89,235 (£55,953) unfranked. Previous total was £409,141.

Interest and expenses total £50,651 against £43,808 while U.K. tax took £11,630 (nil) and overseas tax £7,662 (£5,178). No provision has been made for tax on capital gains realised since April 30, 1973, but this would have amounted to some £38,000.

As known the interim dividend is 2p gross—1.4p net—absorbing £58,800 (£48,234), compared with 1.875p in 1972-73 when the total was 6.375p per 25p share.

At October 31 total net assets were £10.2m. (£11.4m.). Net asset value after allowing for the interim dividend and deducting prior charges at par was 209.5p (232p) including the whole dollar premium of 15.7p (11.4p).

In August the Trust repaid the DM3m. loan. Despite this the overall percentage, including cash, invested directly overseas is now 30.6 per cent. against 32.6 per cent. at April 30, 1973.

Statement, Page 14

Tomkinsons turns in £915,000

ON TURNOVER up from £5.9m. to £7.3m., group taxable profit of casket manufacturers Tomkinsons (Holdings) increased from £647,000 to £915,000 for the year to September 29, 1973, after a rise from £261,000 to £468,000 at half-way.

A net dividend of 3.675p is recommended, equal to 5.25p gross against a previous 5p.

	1972-73 £000	1971-72 £000
Turnover	7,301	5,898
Trading profit	859	698
Profit	915	647
Tax	422	266
Attributable	493	381
Retained	393	286

● comment

Tomkinsons has lifted profits by over two-fifths before tax, earnings are 17.2p net and at 122p the multiple eases down to under 7, against 8 for Carpets International. The background to these ratings is a big stock element (from higher wool prices) in current profits plus a doubtful outlook for consumer spending in 1974: and, if there is to be a high-street squeeze, Tomkinsons could be vulnerable with its big plant extensions due to start up early next year. However, the group does have a growing export trade and is looking for an export ratio of maybe a fifth in 1973-74 against 15 per cent. last year.

UK Optical midway advance

MAKERS and distributors of ophthalmic lenses and spectacle frames U.K. Optical and Industrial Holdings reports pre-tax group profits of £988,000 for the half-year to September 30, 1973, compared with £752,000 for the corresponding period last year.

The figure includes £29,000 profit for six months from the recently acquired K. Blyth (Optics).

Overall the results are "satisfactory," the Board states. Sales generally were extremely good, but profits were held back by short-term shortages of labour and materials in the manufacturing companies.

An interim dividend of 0.9p net is declared, equal to 1.286p gross against 1.136p. For the year to March 31, 1973, the total was 4.03672p paid from taxable profit of £1.72m.

	Half year 1973 £000	1972 £000
Sales	9,583	6,308
Ophthalmic group	7,978	4,916
W. M. Still group	1,965	1,392
Profit	988	752
Ophthalmic	773	611
W. M. Still	213	141
Taxation	494	301
Net profit	494	451
Minorities	4	5
Attributable	490	446
Interim dividend	85	118

On the ophthalmic group, the Board reports that demand was at a very high level in both home and export markets during the half-year, but the British manufacturing companies suffered from the current national scarcity of labour—efforts are being made to increase production to cope with the present world-wide demand. Sales and profits of the overseas companies "increased substantially."

The W. M. Still catering equipment group continued to make "substantial progress." Although the manufacturing side has been affected by shortages of materials. Demand for its products remains "at a high level."

● comment

Leaving aside acquisitions, U.K. Optical has pushed up profits and sales by 27½ per cent. and 51 per cent. respectively in its first six months. Margins over the period have slipped by almost two points to just over 10 per cent., though this figure compares favourably with that achieved in the second six months of 1972-73. Clearly there is no shortage of demand at the moment on either side of the business and the group is pushing ahead well in overseas markets. Energy crises, shortages of labour and raw materials, and uncertainty about the future consumer demand cloud the picture somewhat, but a p/e of 10 at 94p—based on the past 12 months' earnings — is sustainable on grounds of good record alone.

Evans of Leeds improvement

Despite substantial additional interest charges, pre-tax profit of

DIVIDENDS ANNOUNCED

	Current payment %	Date of payment	Corresponding div. %	Total for year %	Total last year %
ANZ Banking	3.5†§	Jan. 23	3	10.5	10
Abbey Panels	1.4§†	Feb. 7	2	4	4
Akroyd and Smithers	60†(s)	—	30	60	30(t)
Edgar Allen ....int.	1.63†(d)	April 1	1.62	—	3.91
Geo. Bassett ....int.	0.84†§	Jan. 18	1.2	—	5.46
Cardiff Malting	5.25§	Feb. 5	7.5	12.5	12.5
Curzon Industrial ....int.	4(k)	Jan. 11	3½	—	3½(j)
Crellon ....int.	13.3(w)	—	—	—	20
J. Dykes ....int.	0.79†	Feb. 1	0.75*	—	4.38*
Evans of Leeds ....int.	1.05§†	Dec. 14	1.5	—	5
Gt. Portland Est. ....int.	1.43†(c)	Feb. 6	1	—	4.2
C.E. Heath ....int.	3.25†(a)	Jan. 18	3	—(b)	10.5
W. Henshall ....int.	nil	—	nil	—	4
Jokai Tea	8(v)	Dec. 31	nil	—	8
R. Kelvin Watson ....int.	3(u)†	Feb. 4	2.5	—	7
London & Lennox	0.35§†	Jan. 4	0.5	—	1.9
Matthew Brown	2.43(f)†	—	2.4	3.37	3.4
Prop. Reversionary... int.	1.43†(c)	Dec. 21	1.25	—	4.99
Ropner Holdings ....int.	1.1†(o)	Dec. 28	0.83	—	2.1
C. Sheerwood Tst. 2nd int.	0.4†(p)	Jan. 18	—	—(q)	1.05
Tomkinsons	5.25†(r)	—	5	5.25	5
Transparent Paper ...int.	1.25(g)†	—	0.5	—	2.5
U.K. Optical ....int.	1.29(k)†	Feb. 7	1.14	—	4.06
Valor ....int.	1.09†(e)	Jan. 25	1.04*	—	3.65*
West of England Tst. int.	2.86(m)	—	2	—	6

* Equivalent after allowing for scrip issue. † Pence per share. ‡ On capital increased by rights and/or acquisition issues. § Net—equal to last year's gross. (a) Net 2.275p. (b) Final will include balance of maximum permitted increase. (c) Net 1p. (d) Net 1.14p. (e) Net 0.766p. (f) Net 1.7p. (g) Net 0.875p. (h) Net 2.8 per cent. (j) For 15 months. (k) Net 0.9p. (m) Net 2 per cent. (o) Net 0.7717p. (p) Net 0.28p. (q) Making gross equivalent 1.05p—0.735p net—to date. (r) Net 3.675p. (s) Net 42p. (t) For six months. (u) Net 2.1p. (v) Net 5.6 per cent. (w) Net 9.31 per cent.—as forecast in January 1973 prospectus.

property investors Evans of Leeds rose from £209,414 to £225,085 in the half-year to September 30, 1973, and higher income is expected in the second period.

The interim dividend is unchanged at 1.5p gross, 1.05p net, absorbing £29,606 after £12,394 waivers by Mr. M. W. Evans. The directors expect to pay a second interim in April. Previous total was 5p paid from profit of £430,900 before tax.

	Half year 1973 £	1972 £
Gross rents	474,489	382,619
Interest receivable	25,006	8,281
Sundry income	10,689	1,049
From dvlpt. & sale props.	70,110	83,681
Interest charges, etc.	355,209	266,216
Profit before tax	225,085	209,414

Bardsley leaves L & C Securities

SHARES IN London and County Securities fell 7½p to 130p yesterday—almost 30p below the level of a month ago—after it was announced that Mr. Donald Bardsley, head of banking operations, had resigned.

Spokesmen for the company, whose directors include Liberal leader Mr. Jeremy Thorpe, said Mr. Bardsley had left for "personal reasons." Mr. Bardsley himself would only add that he had informed Mr. Gerald Caplan, L and C's chairman, of the decision in the middle of last week, just before the company produced its first-half results.

These showed pre-tax profits up from £1,582,000 to £2,235,000, although the latest figure included £813,000 from the sale of shares in an associate. Banking fees charged for loan advances are now being brought into the total figures evenly over the period of any loan, and without this change of policy, profits would have risen another £402,000, according to L and C.

Mr. Bardsley joined the group in May. He left Hill Samuel, the City merchant bank, where he was head of the fast-expanding domestic banking side, at the time of the abortive Slater Walker merger plan.

In terms of public image, it has been a difficult year for L and C, beginning with criticism over the high rates for second mortgages charged by a subsidiary, a form of business from which L and C has now withdrawn.

Earlier this month, the group dropped a £7.8m. bid for Inveresk Group, the paper-making company, following the Government's decision to refer the proposal to the Monopolies Commission.

Profit rise by ANZ Banking

CONSOLIDATED net profit of Australia and New Zealand Banking Group increased by 63 per cent. to £13.73m. in the year ended September 30, 1973.

When expressed in Australian dollars the increase was 30 per cent., the difference being due to currency revaluations during the year.

Earnings per share, based on the consolidated profit, were 42.7p (26.2p).

The group experienced substantially higher deposit and loan volumes in both the trading and savings banks in Australia and New Zealand and in receivables of Esanda. All major activities contributed to the satisfactory result

Consolidated gross income, adjusted for exchange rate changes increased 23 per cent. The figures for consolidated net profit and earnings per share are not fully comparable due to the changed U.K. tax system and introduction of new accounting procedures. These had the effect of decreasing the published net profit for 1973. Had it not been for new procedures, the increase in published net profit for 1973 over 1972 would have been in the order of 80 per cent. in sterling and 44 per cent. in Australian currency, the directors explain.

The dividend is raised from 10 per cent. to a gross equivalent 10.5 per cent. The final is unchanged at 5 per cent. gross—3.5 per cent. net. Application to pay a higher final was not allowed.

Crellon well up

ON SALES up 42 per cent. to £3.06m., profits of Crellon Holdings have expanded by 56 per cent. to £163,793 in the half year ended October 31, 1973. Earnings per 10p share are shown to be up from 2.9p to 3.1p.

Orders received by all divisions are at a record level.

An interim dividend of 13.3 per cent. gross is declared, as forecast in the January Prospectus.

Due to the recent flotation the final is not restricted, but the Board at this stage does not wish to commit itself to forecasting more than 20 per cent. gross due to the outside factors mentioned. In 1972-73 a single 20 per cent. was paid from profits of £276,996.

Encouraging outlook at C. E. Heath

THE DIRECTORS of insurance brokers and underwriting agents C. E. Heath and Co. reporting group taxable profits of £958,000 against £1,003,000 for the first half of 1973, say they are confident that the outlook for the year is encouraging. Group profits for all of 1972 were £2.05m.

An interim dividend of 2.275p net is declared, equal to 3.25p gross against 3p and the directors expect to pay a final which will include the balance of the maximum permitted increase. The previous total was 10.5p.

	Six months 1973 £000	1972 £000
Brokerage income	2,133	1,541
Underwriting fees	380	156
Underwritg. excs. recovered	471	418
Invest. income etc.*	425	326
Total income	3,349	2,771
Operating profits†	845	645
Broking	630	429
Underwriting	160	78
Other	53	108
Profits. less losses‡	58	338
Share associates	55	—
Profit before tax	958	1,003
Taxation	450	427
Leaving	508	576
Minorities	14	10
Available	494	566

* Includes dividends received. Such dividends from U.K. companies grossed up in respect of underlying tax at standard rate, and corporation tax charge increased by a similar amount which is £57,000 (£63,000). † In determining operating profits, broking and underwriting activities have been credited with interest on deposits of £236,000 (£122,000) and £63,000 (£32,000) respectively. ‡ On disposal of investments.

Chairman Mr. F. R. D. Holland points out that as in previous years the results do not include any contributions from underwriting commission. Although difficult to forecast contributions to profits from the Lloyd's Underwriting Agency until the relevant year of account has been closed, the indications are that commission received for 1973/74 will not be less than the final figure for 1972/73 he says.

Despite increasing competitiveness brokerage income continues to increase at a satisfactory rate and investment income and interest have risen substantially as advantage has been taken of high interest rates.

Overseas operations in Australia and South Africa are now making "significant contributions" to overall group results. Growth of underwriting fees largely reflects successful development of the underwriting agencies in Australia rather than an expansion of traditional underwriting activity in London. A similar agency has been formed in South Africa.

In Europe the group has established two new reinsurance broking companies in association with local trading partners. In addition at the invitation of three leading Scandinavian insurance companies Heath has subscribed to the share capital of a new insurance company, Scan Insurance which has been established in London, and agreed to become its London managers and underwriting agents.

"We believe that these investments will be of considerable benefit to the company," the chairman tells members.

● comment

More than half of Heath's 31 per cent. advance in operating profits at the half way stage came from the increase in investment income but cheer can certainly be taken from the performances of both broking—up 19 per cent. with another drop in the expenses ratio from 81.7 per cent. to 81.3 per cent,—and underwriting, where Australia provided perhaps 30 per cent. of a fee income. The current half will benefit from the relative strength of the dollar (in which 43 per cent. of income was received last year) so earnings of 20p look to be on the cards. Here a p/e of 12 takes account of the lower rating of the underwriting side. But the growing importance of Australia—where all the income comes from fees and is thus less cyclical—plus the company's earnings growth of around ... times over the last five years, suggest that there may be relative value in the shares at 248p.

Statement, Page 14

Mindustrial earns more

In its latest quarterly report Mindustrial Corporation, the Canadian subsidiary of The Guthrie Corporation, announces earnings before extraordinary items of 46 cents a share for the nine months ended September 30, 1973, compared with 19 cents at the same stage last year.

Sales continued well ahead of those achieved in the comparable period of 1972, it is stated.

COUNTER-INFLATION ACT 1973

The Treasury have given consent to the declaration by the following companies of dividends of the total amounts specified for the financial years ending on the specified dates:

Cavenham Ltd.	Slough	£4,069,804	31. 3.73
United Kingdom Property Co Ltd,	London W1	£231,912	30. 6.73
Yarrow & Co Ltd,	Glasgow	£200,000	30. 6.73
Sidroy Ltd.	London EC2	£81,738	30. 6.73
Nuwara Eliya (Holdings) Ltd,	London EC4	£18,052	31.12.72
Pochin's Ltd.	Middlewich	£52,000	31. 5.73

Redland advance to £13m. after six months

[FO]LLOWING THE July forecast [of] a worthwhile improvement for [th]e current year, Redland reports [a]n advance of £2.6m. to £12.98m. [in] pre-tax profits for the first six [m]onths ended September 30, 1973. Sales expanded from £54.18m. [to] £66.16m., including exports [fr]om the U.K. of £816,000 [(£]397,000).

Earnings per 25p share are [sta]ted at 6.44p, compared with [..]7p. or 5.38p adjusted to the [cu]rrent tax system with the rate [of] 50 per cent.

	First half 1973-74 £000	1972-73 £000
[Sa]les	66,159	54,179
[Tr]ading profit*	10,944	9,257
[Pr]ofit on sales†	761	573
[Sh]are associates	2,175	1,329
[Ot]her income	286	279
[Int]erest	1,120	1,195
[Pr]ofit	12,986	10,363
[Ta]xation	6,585	4,685
[Ne]t profit	6,401	5,678
[Mi]norities	1,470	1,111
[At]tributable	4,931	4,567

* After depreciation and depletion [£3,]410,000 (£2,716,000). † Profits from [sa]les of surplus land and property.

An analysis of sales and profit [(e]xcluding associates) shows: U.K. [£3]3.19m. (£29.42m.) and £4.91m. [(£]4.76m.); and overseas £32.06m. [(£]24.76m.) and £5.94m. (£4.27m.).

The results include those of [E]uropean subsidiaries and asso[ci]ated companies converted into [st]erling at current rates of ex[ch]ange. Figures for the compara[ti]ve half-year have been adjusted [fr]om those published a year ago [to] include the appropriate propor[ti]on of results of companies [ac]quired during the year 1972-73 [an]d the appropriate additional [sh]are of profits of certain asso[ci]ated companies resulting from [th]e acquisition of further equity [in] those companies during the [ye]ar.

The total dividend for 1972-73 [w]as 3.7p per share, paid from [pr]ofits of £20.5m. The interim for [th]at year was announced in [Ja]nuary.

The group's interests cover [co]ncrete products, tile, pipe and [br]ick manufacturing, and engi[ne]ering.

See Lex

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-division shown below is based mainly on last year's time-table.

TO-DAY

Interims: Carless Capel and Leonard, Crittall-Hope Engineering, Daily Mail and General Trust, General Stockholders Investment Trust, Allan Kennedy, Johnson Matthey, Kimpher, Kulim Group, M and G Second Dual Trust, MK Electric, Monks Investment Trust, Nova (Jersey) Knit, Spink and Son, Tesco Stores.

Finals: Avon Rubber, A. E. Jenks and Cattell, Leeds and District Dyers, London and Associated Investment Trust, A. and J. Mucklow, Stag Line.

FUTURE DATES

Interims:—

Brit. Building & Eng. Appliances	Dec. 5
Empress Services	Dec. 6
Ingram (Harold)	Dec. 6
Racal Electronics	Dec. 6
Sceiteros	Dec. 4

Finals:—

Berisford (S. & W.)	Dec. 20
Guinness (Arthur)	Dec. 11
Scottish American Investment	Jan. 23

Upward trend at Lawtex

Mr. G. M. Schaefer, chairman of [L]awtex, clothing and umbrella [m]anufacturers, told the annual [m]eeting that both turnover and [p]rofits were continuing to show [a] "gratifying" upward trend. [T]his was strengthened by the [re]sults from the two companies—[Fa]irguard and Athlone Apparel—[ac]quired during the past year.

The current order load of the [g]roup was satisfactory, he said, [a]nd "we are managing to over[c]ome the well-known difficulties [o]f raw material supplies with [w]hich our industry is faced world[w]ide."

Results for the first half of the [c]urrent year, the chairman fore[c]ast, would show a further upward trend and there was "every reason to believe that this would continue unless the influence of the energy crisis and the other uncertainties of the global economic situation had a greater influence on the activities of the company than could be foreseen at present."

Judge Int. sales and orders up

ADDRESSING the annual meeting of Judge International Mr. Lloyd Ressler, the chairman, said the order intake for the first 20 weeks was up by 47 per cent. and invoiced sales were up 22 per cent. He also said that he could see no reason to change his views, in spite of looming energy problems, "that the current year will achieve new records."

Mr. Ressler announced that subject to an accountants' investigation and Bank of England consent, negotiations had been completed for the acquisition of Sartel SA, a Belgian company established in 1914, which specialised in the manufacture of high quality stainless steel cookware, copper cookware, stainless steel tableware and hotel and catering equipment.

These products would complement Judge's existing product lines of enamel and aluminium cookware.

Sartel's freehold factory at Liege would be used as a base for storage and distribution of Judge's houseware products into the European Common Market.

It is anticipated that Sartel's products would be sold in the U.K. and Canada by Judge. Further details will be published after Bank of England consent has been obtained and the accountants' investigation completed.

Meeting, Page 4

Valor sees at least £2.6m.

COMPARED with a forecast of £1.25m., profit before tax of Valor Company, the heating appliances and engineering group, more than doubled from £611,628 to £1,310,696 in the 28 weeks to October 12, 1973.

And chairman Mr. Michael Montague indicates that the 12-month total will advance from last year's record £1,426,573 to at least £2.6m.

	28 weeks 1973 £	1972 £
Trading profit	1,310,696	611,628
Pre-tax profit	1,330,131	621,872
Tax	578,812	221,000
Net profit	751,319	400,872

An interim dividend of 0.766p net is declared, equal to 1.094p gross against an equivalent 1.042p. The previous total was equal to 3.646p.

Mr. Montague says overseas demand for all items has proved particularly strong and new products have been well received. The immediate policy is presently biased towards "exports and expansion overseas," he adds.

Of the future, assuming no exceptional circumstances, he expects profits for the remaining six months to at least equal those for the first.

See Lex

Kelvin Watson ahead so far

First-half pre-tax profit of opticians R. Kelvin Watson improved from £85,535 to £108,762 and the interim dividend is raised from 2.5p to 3p gross—2.1p net.

For the year ended March 31, 1973, group taxable profit was £241,344 and total dividend 7p.

	Six months 1973 £	1972 £
Turnover	861,122	655,967
Trading profit	117,762	93,115
Research Expend.	9,000	7,580
Profit	108,762	85,535
Tax	54,000	31,000

Dividends have been waived on 417,677 Ordinary shares.

F.C. CONSTRUCTION

Yesterday's correction of the report on the interim statement of F.C. Construction (Holdings) was inadvertently headlined F.C. Finance.

Bassett improves in first half

TAXABLE PROFITS of George Bassett Holdings improved from £1,193,000 to £1,240,000 in the 28 weeks ended October 12, 1973.

Chairman Mr. D. G. Johnson explains that the increase was achieved despite higher interest rates and the exceptionally low price of sugar in the early part of 1972-73. U.K. manufacturing profits were 10 per cent. up, but the Dutch company, De Faam, returned a loss over the period.

Profits of Drakes, the wholesale group, were 62 per cent. up at £221,000, reflecting partly improved operating efficiency and partly new acquisitions.

Manufacturing sales at £10.75m. (£9.29m.) were restricted by production limitations rather than by demand which was "very buoyant." Additional problems were created by the running in of new plant during the summer. Nevertheless sales of the U.K. manufacturing division were 13 per cent. up.

Sales of Drakes were also affected by the inability of many leading manufacturers to meet full demand for their products, says the chairman.

Under present difficulties Mr. Johnson feels it would be rash to make a specific forecast for the year. He is satisfied, however, that "we are as well equipped to meet these difficulties as anyone in the industry." Demand both at home and abroad is higher than ever before and production capacity will expand as the substantial investment programme comes into operation.

The group is also continuing to expand the wholesale group by further acquisitions and the chairman is very confident about the future of this subsidiary and the opportunities for new investment it presents.

The interim dividend is unchanged at a gross equivalent of 1.2p per share—0.84p net. Total for 1972-73 was 5.46p, paid on profits of £2.12m.

	28 weeks 1973-74 £000	1972-73 £000
Group sales—		
Confectionery manufactr.	10,745	9,287
Wholesale distribution:		
Tobacco	8,301	8,027
Confectionery & Grocry.	3,095	3,327
Total*	22,141	20,641
Group profit—		
Confectionery manufactr.	1,064	1,061
Wholesale	211	136
Total	1,275	1,197
Interest	35	4
Profit before tax	1,240	1,193
Taxation	620	477
Net profit	620	716

* Includes group exports from U.K. £1,588,000 (£1,404,000). Sales figures are not comparable with the previous year due to the introduction of VAT, and consequent reduction in Excise Duty on tobacco and the abolition of Purchase Tax on confectionery.

See Lex

Property and Reversionary

A fall in group taxable profit from £278,147 to £231,920 is reported by The Property and Reversionary Investment Corporation for the half year to September 30, 1973. An interim dividend of 1p net—1.43p gross, against 1.25p is declared.

For the year ended March 31, 1973, group profit before tax was £496,806 and the total dividend 4.987p.

	Half-year 1973 £	1972 £
Gross rental income	440,270	404,305
Net rental income	375,361	340,666
Dealing profit	—	3,695
Interest & dividends	131,014	58,916
Total income	506,375	403,275
Admin. expenses	41,692	41,775
Interest payable	232,245	113,352
Profit	231,920	278,147
Tax	74,796	72,091
Minorities	1,691	2,238
Leaving	155,431	203,818
From reserves*	50,000	24,098
Available	205,431	227,916

* From capital reserve of an amount equal to net outgoings on properties held or in course of development.

The directors point out that proceeds totalling £3.2m. on account of properties compulsorily acquired were received in September, 1973, and, as a result, interest charges in the current half year are likely to be substantially lower.

Dr. Simpson says the manufac- The dividend is 4.5937p (4.375p). turing companies continue to have full order books. Wool prices have increased substantially and this has been reflected in the price of quality cloth, the problem has been further accentuated by the extended delivery dates given by cloth mills and this had affected Simpsons delivery dates and has been a major adverse factor in production. High costs in all sectors continue to narrow manufacturing profit margins.

Simpson (Piccadilly), in increasing its sales in all departments, has also achieved further outstanding succes in the sales made to overseas visitors under the Personal Export Scheme. DAKS Clothing continues as the sound and progressive basis of the store's success, but other sections have played an important part in the total achievement, especially leisure and sportswear, ski-wear, golf and sports equipment.

The manufacture under licence of DAKS clothes in the U.S. and Japan is progressing satisfactorily, although it has taken rather longer for the licensee in Japan to establish, in depth, suitable outlets for the high quality clothing they are producing under the DAKS label.

Sir Harold Gillett is retiring from the Board after 40 years service. Mr. M. Moss intends to retire in January.

Great Portland ahead

FIRST HALF group taxable profits of Great Portland Estates have improved from £979,000 to £1,218,000 and the revenue balance available for distribution amounted to £668,000 against £624,000.

The interim dividend is lifted from 1p to 1.43p gross—1p net—per 50p share costing £289,703 (£269,458). Total for the year to March 31, 1973, was 4.3p paid from available revenue of £1,522,507.

The first half U.K. tax charge was £593,000 (£368,000). Revenue available for appropriation included an amount equal to net outgoings for the period attributable to properties held for or in course of development £43,000 (£13,000).

East Lancs. Paper

Changes in the structural organisation of East Lancashire Paper Mill Company are planned.

The directors feel it is the right time to form a holding company involving a change of name of the company to East Lancashire Paper Group and the forming of a new paper manufacturing subsidiary called East Lancashire Paper Mill. Extraordinary meeting December 20.

UNIT TRUSTS

Hill Samuel Step Up Annuity

Hill Samuel Life Assurance has [in]troduced a new type of annuity [d]esigned to protect income against [th]e long-term effects of inflation. [C]alled the Step Up Annuity, it is [b]asically an immediate annuity [w]ith an automatic provision for a [..] per cent. increase in the amount [of] the annuity at the end of seven [ye]ars.

For example, a payment of [£2]0,000 will secure for a man [ag]ed 65, an initial gross income [of] £1,277.8 per annum, rising at [th]e end of seven years to £1,916.4 [pe]r annum, compared with a [le]vel income of £1,454.2 per annum [w]hich would otherwise be pay[ab]le.

The annuity is only payable [ha]lf-yearly, the first payment [be]ing due six months after pur[ch]ase; in the event of death dur[in]g the seven year period, the [ba]lance of the purchase money, [le]ss total annuity instalments [re]ceived, is returned.

Eric Short writes:—

Under conditions to-day, an [an]nuity should endeavour to pro[vi]de two vital factors. First, it [sh]ould give a high initial value [to] the annuity and secondly, it [sh]ould protect the annuity value [ag]ainst the ravages of inflation. [Th]e Hill Samuel Step Up Annuity [re]presents a reasonable com[pr]omise in meeting these two, [oft]en self-conflicting, factors. But [wi]th inflation at its present levels, [sev]en years is rather too long a [pe]riod to wait before jacking up [th]e annuity value.

The initial value is high com[pa]red with an equity-linked [an]nuity and the fact that there [co]uld be a capital repayment on death during the first seven years is a useful feature.

CLERICAL MEDICAL NEW SERVICE

Clerical, Medical and General Life Assurance Society has introduced a new Pension Fund Management Service which includes investment management, pensions administration and additional services such as actuarial advice.

The new service is available to uninsured funds and investments will be held in separate accounts for each pension fund. Investment management fees are normally 0.3 per cent. of the Fund per annum for up to £1m. in value; 0.2 per cent. on the next £4m.; and 0.1 per cent. on the excess over £5m. The minimum fee is £2,500 a year.

SLC EQUITY PLAN

A new unit-linked life assurance plan for the regular investor with £3 or more a month has been announced by Sun Life Charterhouse Unit Assurance, the jointly owned subsidiary of Charterhouse Group and the Sun Life Assurance Society.

Called the SLC Equity Plan, it offers a choice of investment in any one of three Charterhouse unit trusts—Fund of Investment Trusts, European Financial, and Capital Accumulation Units. The Fund of Investment Trusts is particularly recommended because it gives the greatest overall spread of risk.

The investment can be realised at any time. After the first 10 years the full value of all units purchased will be payable subject only to a deduction for capital gains tax at a specially reduced rate.

LLOYD'S LIFE INCOME BOND

Lloyd's Life has issued a new Guaranteed Income Bond with a term of three years. Yield varies between 9.64 per cent. and 10.05 per cent. per annum.

Surrender terms are 90 per cent. of the initial investment during the first year, rising in each of the subsequent two years. The minimum investment starts at £1.

VAVASSEUR MERGER

Unitholders in Vavasseur Oil and Energy Trust and Vavasseur International Mining Fund approved the resolutions to amalgamate the two trusts under the name of Vavasseur Oil and Natural Resources Trust. The resolutions were carried by majorities of 96.1 per cent. of the Oil and Energy Unitholders, and 94.7 per cent. of the International Mining Unitholders, and the merger will become effective on December 1.

PELICAN PAYMENT

The net distribution of Pelican Units for the half year to October 5 is 0.885p per unit (0.5504p) which makes a total for the year of 1.6049p against 1.2523p. Market value of the trust was £1.43m. at the year-end. The unit price has risen by 31.8 per cent. compared with a rise of 2.7 per cent. by the FT All Share Index.

S. Simpson's progress

THE INCREASED turnover and profits achieved by S. Simpson in 1972-73 have followed the upward trend indicated a year ago, says the chairman, Dr. S. L. Simpson.

Simpson (Piccadilly) has again led the way, breaking all previous records, but Daks-Simpson, Invertère Coat and other subsidiaries participated to a greater extent than previously in improving profitability.

As reported on October 5, group profit for the year ended July 31, 1973 was £886,602 (£587,091), from a turnover of £10.9m. (£9.79m.).

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1973 High	1973 Low	Stock	Closing Price p	+ or −	Div. Amount	Times Covered	Gross Yield	P/E Ratio
	F.P.	30/11	47½	41	Archimedes Inv. Inc.	41	−1	Q18	—	10.6	—
	F.P.	30/11	67	58	Do. Cap 50p	58	−1	—	—	—	—
	F.P.	—	67	58	Austin (James) Steel	58	−1	b14	2.4	8.6	7.0
	F.P.	—	£19¾	£12⅞	Bell & Howell	£13⅛	−⅜	84c	—	2.6	—
	F.P.	—	£26⅝	£22⅛	Carborundum $5	£22⅝	−⅛	$1.58	—	2.8	—
	F.P.	—	86	75	Christies Intl. 10p	75	−2	24½	2.0	4.3	16.6
	F.P.	—	£28	£22	Cie Francaise Petroles 'B'	£22	......	12Fr	2.5	5.1	11.8
	F.P.	—	£19⅝	£14⅛	Columbia B'g Sys $2.50	£15	......	$1.40	—	4.0	—
	F.P.	—	£21¼	£19	C'p'n'hBn'a'd'bk 'B' R	£19	......	s11	3.0	4.1	8.0
	F.P.	—	£25	£22	Distill'rs Cp Sgrm. C$1	£22⅛	−⅛	$1.20	—	2.2	—
	F.P.	—	£21⅝	£18½	Dover Corp. US$1	£19	−⅜	$1.04	—	2.4	—
	F.P.	16/11	£35¾	£32	General Elect. Co.	£32⅞	−⅛	$1.80	—	2.0	—
	F.P.	—	£18¼	£15½	Guard. Mort. Invs. H.	£15⅝	−⅝	$4.08	—	10.6	—
5	F.P.	28/11	50	37	Hanover Grand 5p	40	+2	19.9	2.0	3.5	20.0
5	F.P.	—	36	34	L.K. Ind. Inv.	34	−1	7.8	1.7	7.8	10.8
	F.P.	—	37	35	Ley's Foundries	37	......	b9.8	1.7	9.9	8.6
	F.P.	—	110	82	Modern Invs. (£1)	105	......	—	—	—	—
	F.P.	18/6	143	109	Nth. Brit. Prop. (Cap)	109	−2	—	—	—	—
	F.P.	—	95	90	Greenstone Inv. (12½p)	90	......	b10c	2.2	6.8	6.6
	F.P.	—	240	186	RTZ Arcmin	186	−4	—	—	—	—
	F.P.	—	130	105	Rapp & Maister 5p	105	−10	Qb15	1.5	4.3	15.4
	F.P.	—	£17¾	£16⅛	Richardson, Merrell	£16⅛	−¼	$1.05	—	2.7	—
	F.P.	—	£25	£19½	St.-Gobain Pm. (Fr.75)	£19½	......	Q9½	3.3	0.4	18.3
	F.P.	—	840	680	Sauk'HF Inv. Tst. £10	680	−10	—	—	—	—
	F.P.	—	21	16	Totalisator & Grey. 5p	16	......	Q14	2.3	4.0	15.6
	F.P.	—	£21⅝	£20	Warner-Lambert US$1	£20	−⅜	$1.44	—	2.9	—
	F.P.	14/12	45	36	Winston Estates	36	......	b3½	1.0	3.5	39.8

FIXED INTEREST STOCKS

Issue Price £	Amount Paid Up	Latest Renunc. Date	1973 High	1973 Low	Stock	Closing Price £	+ or −
50	F.P.	14/12	4½	1	Anglo Transvaal Ptg. Prefd.	1pm	......
	F.P.	30/11	95	80	Bristol Street 10½% Cnv. Uns. 93/98	80	......
	F.P.	30/11	101	92	Brit. Dredging 8% Cnv. Uns. 85/98	93	......
	F.P.	8/1	99	92	Brit. Match 10% Cnv. 85/98	92	......
100	F.P.	—	98½	96½	Cap & Cnts 9% $ Bds. Guar. 1983	96½	−1
	F.P.	—	105	100	Dundee Corp. (City of) 9½% Bds. 1983	103	......
US$100	F.P.	—	101	98	Edin. Corp. 9% $ Bds. 1981	98	−1
100	F.P.	16/11	104½	96	General Elect. 5¼% Sterl. $ Cnv. 85/93	96½	+½
	F.P.	24/5	94½	84	Grendon Trust 11% Uns. 78/81	84xd	......
	F.P.	27/12	102¾	98	Inchape 12¼% Uns. Ln. 93.98	98	−½
	nil	30/11	2	⅛	Jessel Secs. 7.7% Cnv. Com. Red. Prf.	¼pm	......
$100	F.P.	1/12	97½	95	Met. Estates 8¾% $ Bds.	95½	−1
—	F.P.	—	94	93	Mexico Utd. Mexican States of 8¾% Bds. 1991	93	−1
$99	F.P.	—	[illegible]	95	Nat. Coal Board 8¾% Grd. Bds. 1988	$98¾	......
£100	F.P.	—	88¼	71	Rolls-Royce Motors 8% Cnv. Uns. Ln. 87/2002	71	......
£99	F.P.	—	£97	£95	Staffs. Potts. Water Board 11½% Red. Deb. 1981	£95	......
£91	F.P.	30/11	91½	88	Sunderland & Sth. Shields Wtr. 10½% Red. 1983	88	......
	F.P.	23/11	129	100½	Tower Assets 10% Conv. Loan 1983	119	......
£100	F.P.	—	$97½	$97	Utd. Dom. Tst. US$8¾% Cap. Bds. 1988	$97	......
£91½	£10	—	£6	£5	West Kent Water 7% Red. Pref. 1978	£5½	......

"RIGHTS" OFFERS

Issue Price p	Amount Paid Up	Latest Renunc. Date	Latest Renunc. Date	Stock	Closing price p	+ or −
$A2	nil	12/12	—	Comm. Bk. of Sydney	24p	......
250	nil	—	—	Dowgate & General Comb. Units	3pm	−1
35	nil	17/2	—	Peak Invs.	nil	......
145	F.P.	5/12	5/12	Robinson (G. A.)	128	......
15	nil	30/11	—	Supara Invs.	2½pm	......
75	nil	—	—	Woodside-Burmah	21pm	−5
30	nil	—	—	Wyndham Eng.	3pm	−½

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part capital: cover based on dividend on full capital. p Pence unless otherwise indicated. j Figures based on prospectus or official estimates for 1972. P Figures based on prospectus or other official estimates for 1971. T Figures assumed. § Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividends. ** Issued by tender. ‡ Offered to holders of Ordinary shares as a "rights." ¶ Issued by way of rights. ‡ Rights by way of capitalisation. †† Tender allotment price. ◆ Reintroduced. ‡‡ Issued in connection with reorganisation, merger or take-over. ‡ Introduction. ◆ Issued to former Preference holders. † Allotment letters (or fully-paid). † Provisional or partly-paid allotment letters. ✱ With warrants.

Edgar Allen recovers to £615,000 at midway

FROM SALES some £3.3m. ahead at £8.74m., profits of Edgar Allen and Co. have recovered to a *record £615,000* in the six months ended October 6, 1973, compared with £190,000 in the same 1972 period which was depressed by industrial disputes.

Earnings per 25p share are shown to be up from 1.1p to 3.4p.

There are signs that raw material and skilled labour shortages might be *preventing some* subsidiaries from fulfilling their potential, but order books are "extremely good" and the directors feel that "barring further deterioration *in availability of* materials and labour, further progress should be made in the second half.

The interim dividend is raised from 1.625p *to a gross equivalent* 1.628p—1.14p net—per 25p share. The 1972-73 total was 3.01p, paid on profit of £1.09m.

	First half 1973-74 £000	1972-73 £000
External sales	8,744	5,432
Operating profit*	500	254
Interest	[illegible]	64
Profit before taxation	615	190
Taxation	290	76
Net profit	325	114
Preference dividends	8	12
Earnings	317	102
Extraordinary debits	4	—
Available Ordinary	313	102
Ordinary dividends	103	130
Retained	209	45

* After depreciation £295,000 (£230,000).

To the sales and pre-tax profit total engineering contributed £4,283,000 (£2,770,000) and £232,000 (£223,000); *and steel foundry and forging activities* £4,342,000 (£2,553,000) and £470,000 (£66,000).

Orders on hand at October 31 totalled £10.2m., compared with *£5.3m. a year ago and £7.3m. at* May 31, 1973.

An independent valuation of land and buildings showed a surplus of £2.48m. over the book *value of £2.94m.*

● comment

Edgar Allen's true half-time performance may be partly obscured by the inclusion this time of the BSC steel and tool interests acquired towards the end of last year, but a 224 per cent. rise in pre-tax profits does suggest that the recovery which began in the second half of last year is continuing. The group is still expanding capacity at a fairly fast pace and the current level of demand looks high, with orders in hand almost doubled at the end of the first half. But, with borrowings some 57 per cent. higher at *the halfway stage the group's full-*year growth prospects could be very vulnerable to any further increase in interest charges, and that may explain the apparent *caution expressed in a net p/e of* 6.3, at 33p, for the last reported 12 months.

Walkers (Century Oils)

AFTER INTEREST charges of £3,000 against £7,000 pre-tax profit of Walker (Century Oils) rose from £264,000 to £275,000 in the *half year to September 30, 1973.* Previous total was £550,377.

Stated earnings for the six months are 2.23p compared with 2.56p per 10p share but are not comparable owing to the changed tax system.

	Half year 1973 £000	1972 £000
Turnover	[illegible]	3,158
Trading profit	280	271
Interest charges	5	7
Profit before tax	275	264
Tax	137	106
Net profit	138	158
Dividend	21	30
Retained	117	128

Curzon Industrial growth

Profit of Curzon Industrial Investments reached £317,000 before tax of £158,000 for the six months to September 30, 1973. The corresponding 1972 period was for nine months in which profit was £120,000 before tax of £50,000.

An interim dividend of 4 per cent. gross—2.8 per cent. net—is declared, absorbing £112,000. For the previous 15 months there was a single interim of 31 per cent. paid from profit of £257,000 before tax.

Commenting on the results, the chairman, Mr. John Wakeham, points out that during this half year Curzon has undergone very significant changes—it is now a completely different company.

Profits come from three main areas—capital goods, timber broking and raw materials, finance and *property.* "*These results reflect* the growing strength of the business, but it will be some time before the group is able to show its full potential," Mr. Wakeham says.

Profit rise forecast by Ropner

AN ADVANCE in current year profits is forecast by Mr. W. G. Ropner, chairman of Ropner Holdings, the shipowning, insurance broking and engineering group.

In the first six months ended September 30, 1973 trading profits show a marginal decrease from £651,000 to £646,000, but taking in higher investment income and allowing for a reduced interest charge the pre-tax figure emerges ahead at £553,000, compared with £479,000.

*The chairman states that following a long period of contin*uous trading, Stonepool became due for major overhaul and refit: this was carried out in July with *consequent adverse effect to earn*ings for the period. Despite increased operating costs a similar profit from the shipping division to that of 1972-73 (£335,000) is *anticipated for the full year.*

*Labour shortages in the en*gineering companies generally have restricted profits and continue to do so members are told. No contribution was received from the newly-formed property company in which Ropner has a 40 per cent. interest—profits are taken into account when sales are actually completed, Mr. Ropner explains.

With regard to the Australian properties in the year 1973 it is *anticipated* that about one-third of the total expected sales of the project will have been achieved.

An interim dividend of 0.7717p net—1.1024p gross—is declared, and a similar final is intended. This would bring the year's total up to a maximum permitted 1.5435p net—equal to 2.205p gross. *For 1972-73 a total of 2.1p was* paid from profits of £1.08m.

	Six months 1973 £000	1972 £000
Trading profit:		
Shipping	304	281
Engineering	202	143
Insurance broking	61	61
Prop. and finance	29	64
Total	646	651
Investment income	97	49
Making	743	700
Interest payable	190	221
Profit before tax	553	479
Taxation	265	187
Net profit	288	292
Minorities	8	20
Available	279	272
Dividends	114	92
Retained	165	180

● comment

After six months Ropner's profits are just about all-square at the trading level but thanks to favourable investment income/interest charge swings there is a pre-tax *gain of 15 per cent.* However, for the shares—at 35p the net historic p/e is 10—the dull trading pattern cannot be much of a comfort despite the forecast of some growth for the year. Still, Ropner does have an interesting financial/industrial mix. Broking must be in the ascendency with brockerage income at home and overseas running at growth rates well into double figures. In shipping freight rates are vulnerable but the asset attractions can be high and Ropner has a biggish (116,000 tons d.w.) carrier due for delivery in 1976.

Camellia Investments

Mr. G. Fox, chairman of Camellia Investments, says in his interim statement for 1973 that the directors have continued to redeploy certain assets.

They have disposed of the holdings in Independent Finans A.B. and Alex Lawrie Properties at a "reasonable" profit, in each case accommodating partners, and also profitably disposed of the leasehold interest in the building at 15, Duke Street, St. James's, London, S.W.1, for £170,000. The shareholding in Jorehaut Holdings presently totals 531,000 Ordinary shares (67 per cent of the issued capital).

On David Field Holdings the chairman reports that although they still expect operations to be profitable, philatelic activities continue to be hampered by rising costs and continuing reorganisation. Douglas J. K. Wright will again produce record results for *1973,* both in terms of sales volume and profits, he adds.

Summarising, Mr. Fox says the directors continue to be "keenly aware" of the need for liquidity and its attendant flexibility. Accordingly, while maintaining modest cash balances, they have utilised the proceeds from the disposals referred to to increase the *investment in Jorehaut Holdings*, to enter the field of fine arts, and to reduce long term Euro-Currency borrowings.

Berry Trust policy

THE CHAIRMAN of the Berry Trust, Mr. R. Berry, tells members that at the 1972-73 year-end liquid assets amounted to £1m. as against nearly £1.1m. of net net current liabilities at the beginning of the financial year.

During the year the percentages of the fund invested in the U.K., *Europe and North America* were reduced while those in Japan, Australia and South Africa have been increased. Since the end of the year a programme of re-*investment in the U.S. has been* undertaken in the belief that prospects there must now be considered good.

Mr. Berry says the rapid rate of *inflation world-wide, and the* "tremendous" increase in commodity prices, together with repeated currency crises, have made this a particularly difficult *time in which to take long-term* investment decisions.

The directors, however, believe that the geographical spread of investment and the concentration *on companies with high rates of* growth provide the best protection against these ills, while offering at the same time prospects for continuing advance.

As reported on November 10, pre-tax profit for the year ended August 31, 1973, was £173,431 (£133,303) with a dividend of 31 per cent. (same).

● comment

Berry Trust has had a somewhat unfortunate history, stretching back to 1969 when the proceeds of a £7½m. rights issue were put into the market at precisely the wrong moment. Since then, the fund has performed relatively well, though this has not always been recognised by the market. The latest report shows that the asset value (after conversion) is 73p, or 19 per cent. down on the corresponding figure a year ago, which reflects not only falling markets but the effects of currency swings on back-to-back loans. And since the last accounting date most of the major markets have fallen further, putting the asset value at probably nearer 68p. At 54p, the shares are therefore on a discount of 20 per cent, which is two points dearer than the sector average. Still, for a highly-geared aggressively managed trust this is not expensive and the day cannot be far off when this will be considered good value.

Transparent Paper upsurge

ON TURNOVER of £4.8m. against £4m. pre-tax profit of Transparent Paper doubled from £151,000 to £303,000 in the half-year to September 29, 1973. Total for 1972-73 was £426,000.

The interim dividend is raised from 0.5p to 1.25p gross—0.873p net. Previous total was 2.3p per 25p share.

	Half-year 1973 £000	1972 £000
Turnover	4,804	4,018
Trading profit	534	370
Depreciation	231	219
Profit	303	151
Tax	19	10
Deferred tax*	110	—
Net profit	174	141
Debenture red.	3	3
Pref. dividend	5	5
Ord. dividend	45	27

* By capital allowance.

MINING NEWS

Some brightness for Silvermines

BY LESLIE PARKER, MINING EDITOR

IRELAND'S Silvermines lead-zinc operation in Tipperary was hit by labour troubles in the September quarter so, despite *higher metal* prices, there was a slow-down in the net earnings rate of Dublin's Silvermines company which has a 25 per cent. stake therein. The other 75 per cent. *is owned by* Canada's International Mogul Mines.

The Silvermines company's net profit for the nine months of £727,750 is nevertheless already *ahead* of the £871,582 for the whole of last year. The per share comparison is 8.64p against 8.21p. The six month figure for the current year was 6.22p.

A second interim of 2.5p tax free makes a forecast total of 5p compared with the modest maiden ½p for 1972. It is particularly unfortunate for Silvermines that just as *stockholders* are beginning to reap some benefit after many years of waiting a cloud has been cast over future earnings possibilities by the Irish Government's reneging on its 20-year tax holiday promise for the country's base-metal mines.

Labour troubles

Details of the tax system which is to replace it are still awaited. Meanwhile, labour troubles permitting, the Silvermines operation should be further benefiting from *higher metal prices in the final* quarter. Last quarter mill throughput was reduced by a shortage of personnel, abnormally high plant down-time, lower ore grade and a *six-week walk-out by maintenance* men.

Further ore is still being sought. Last quarter 27 holes comprising nearly 11,000 feet of diamond drilling were completed. It is stated that the programme, designed to enlarge the known ore deposits and discover additional ones, has returned some reasonably encouraging results and is continuing with four drills.

The company's Magcobar barytes operation in Tipperary, which contributed to £39,598 of "other earnings" in the nine months, will be benefiting from a renegotiated price of $1.60 a ton (up 30 cents) as from November 1. Silvermines 2½p units have sagged back to 43p owing to uncertainties about the tax situation and the market impact of the recent Irish broking failure. They could have recovery possibilities once these uncertainties are resolved.

NEW BOARD FOR ROBE RIVER

It looks as though the legal struggle over the future of *Australia's* Robe River company which has a 35 per cent. stake in the Pilbara iron ore operation of the same name may have reached its conclusion. Following judgment confirming the sale by the liquidator of Mineral Securities, Mr. Jamison, of that concern's shares to the Alan Bond organisation, the Robe River board is to resign to make way for new directors to be appointed by the company's new major shareholder.

At the same time the present board stress their opinion that the company's interests are not "necessarily identical with the interest of the liquidator of Minsec". It recalls that an alternative proposal was put forward by *Mr. Garrick Agnew's Mt Enid* Iron company which has a 5 per cent. stake in the Robe River operation.

The directors conclude that *following the court's decision* the appointment of a new board will resolve the conflicting interests and opinions.

In the meantime, the Robe River project is endeavouring to accelerate its expansion plans in an effort to offset the effect of currency realignments and pressures on costs. Total capital *costs are now put at about* $275m. (£174m.). The other co-venturers are America's Cleveland Cliffs and Texasgulf and Japan's Mitsui. Yesterday the shares of the Robe *River company were 44p.*

PENARROYA'S ZINC PROJECT

The French Penarroya company is expected to announce plans soon for the exploitation of zinc deposits at St. Salvy in southern *France according to sources close* to the company.

The project reportedly includes the building of a smelter with an annual capacity of 15,000 tons of zinc. If financing plans are approved production may start in 1976 at a cost of between Frs.30m. and Frs.40m.

The deposits, reported to contain "*important*" reserves, were jointly discovered by Penarroya and the Government's Bureau de Recherches Geologiques et Minieres.

WESTERN MINING PEACE HOPES

It was hoped in Perth yesterday that State Government intervention may end the eight-week old deadlock over a pay dispute at Western Mining's Kambalda nickel *operation in Western Australia.* The Minister of Labour is acting as intermediary. If the high-level discussions now proposed fail to produce a settlement the matter *could be referred to the Industrial* Commission in court session.

Picketing at the mine continues but, anyway up to November 6 as detailed here on November 14, *production had not been affected.* The dispute concerns 240 maintenance men. Yesterday Western Mining rallied slightly to 100p.

ABALEEN HAS KAOLIN PLANS

Australia's Abaleen Minerals reports that tests have shown that fine quality coated paper meeting all requirements of the printing industry can be made from processed kaolin from the company's South Australian deposit.

Marketing negotiations are under way to sell in advance at an annual rate of 0.2m. tons worth $10m. (£6.3m.). Basic design and flow sheet for stage one, the production of good-quality filler for the paper industry, have been completed it is stated. During the current quarter firm schedules will be determined for mining processing and sales.

Assocd. Fisheries

The Associated Fisheries Board believes the group's trawling activities will continue to contribute a level of profit much above the average for the past five years, says the chairman, Mr. P. M. Tapscott.

In a letter to shareholders, he refers to the settlement of the dispute with Iceland and says that out of the group's current fleet of *149 trawlers, only 70 have tradi*tionally fished in the Icelandic area. AF now has licences for 67 ships to operate in these waters and will therefore be able to con*tinue to fish there profitably.*

Mr. Tapscott says the Board has now completed an appraisal of the outlook for its trawling interests. It believes that a recurrence of past periods of excess supply of fish and consequent very low prices is unlikely, having regard to the substantial rise in the price of alternative foods and the world shortage of protein.

With its fleet of modern freezer-trawlers, the group is well placed for the future, he adds. Prospects for home-water ships are also considered excellent and it is now proposed to build further vessels for this purpose.

The group's Nine Elms cold store, which stands on a long leasehold site of 1.6 acres, abuts immediately on to an area for development on the Thames frontage on the south side of Vauxhall Bridge adjacent to the new Victoria Line Tube station. Mr. Tapscott refers to various schemes published by the Department of the Environment for developing this frontage and adds, concerning the group's own site, that, with their advisers, they are closely examining the possibilities of redevelopment.

BIDS AND DEALS

Forbuoys turnover up but some profit reduction

TURNOVER, excluding VAT, of *Forbuoys*, the multiple newsagents and tobacconists for which Gallaher is making an agreed £11.0m. bid, was 12 per cent. up in the three months to September 1973, compared with the previous year, says the chairman, Mr. O. C. Strickland.

But in a letter to shareholders recommending Gallaher's offer, he also states that owing to a tightening of margins and increased operating expenses, particularly wages, there has been some reduction in profits.

The present economic climate and the effects of price reference levels under Phase Three make a firm forecast of profits for the year to June 1974 "extremely *difficult," he says.*

The Gallaher offer, announced on November 13, was 305p cash for each Forbuoys Ordinary. But since the announcement, the resolution passed at Forbuoys' annual *meeting* to *subdivide* the 25p shares into Ordinary of 5p has become effective. The offer has therefore been adjusted to 61p cash for each Forbuoys 5p share, equivalent to the originally announced bid.

Mr. Strickland says that the Forbuoys directors, who have been advised by Dawnay Day, believe the offer is fair and reasonable.

He also tells shareholders: "The considerable financial and marketing resources available from Gallaher will help to continue the expansion of Forbuoys' business in the U.K., and, in due course, into Europe. Gallaher has indicated that it will be its policy for Forbuoys to continue to operate as a separate entity under its existing management but with Gallaher representation on the Board. Gallaher had also given assurances that the interests of all employees of Forbuoys will be fully safeguarded."

Since the announcement of its offer, Gallaher has bought 261,000 Forbuoys 25p Ordinary, now represented by 1,305,000 5p shares (6.8 per cent.).

BBA expands in South Africa

BBA Group, manufacturers of *friction materials* and industrial textiles, is adding to its substantial overseas interests through the acquisition of a 40 per cent. equity stake in S.A. Frima, of *Natal, South Africa, at a cost of* £250,000.

This is to be increased to 51 per cent. in three years' time. Meanwhile, BBA will be lending technical support to Frima, which, as makers of moulded brake lining and clutch facings, has already captured an appreciable share of South Africa's replacement market in these materials. Renamed Mintex-Frima (S.A.), it is now set, with BBA help under a licence, to extend its range or friction materials particularly disc pads for original equipment.

The R400,000 paid by BBA for its shareholding, together with an additional R80,000 subscribed by existing holders, will permit redemption of indebtedness incurred in financing the factory extension, pay for R150,000 of new plant needed to cater for Mintex *formulations* under the licence and leave a balance of working capital.

MOORE-LAMSON

Moore Corporation has now indicated further through its advisers S. G. Warburg, how it will handle acceptances of its *partial bid* for Lamson Industries Ordinary shares. The interim information is provided to simplify Stock Exchange dealings pending a definitive announcement of the *precise basis of acquisition* promised as soon as possible after the offer closes on December 7.

On the basis of valid acceptances received by *November 23*, Moore will acquire from each accepting holder: (i) 40 per cent. (or such less proportion in respect of which the offer was accepted by the holder) of the *registered* holding at the close of business on November 23; and (ii) a proportion, which will not be more than 20 per cent. but may be less, of any additional part of the holding *in* respect of which the offer is accepted.

An example shows that a holder who had 100 shares and accepted *for* the whole may expect that Moore will acquire (A) Under (i) above, 40 shares; and (B) under (ii) above, not more than 20 per cent. of the balance of his *acceptance, that is* 20 per cent. of (100-40), which is 12 shares. The maximum number of shares acquired by Moore would thus be 52 and the minimum number to be *returned* to the shareholder, 48.

Wallace Sassoon stake in CF

Agreement has been reached whereby Wallace Brothers Sassoon Bank will subscribe £250,000 for new Ordinary shares in Consolidated Finance Holdings, which will result in Wallace Sassoon owning 3.57 per cent. of the enlarged equity. Following this transaction CF is capitalised at £7m.

In addition Wallace Sassoon has agreed to grant an unsecured facility to CF of £1m.

Following this CF intends to subscribe £500,000 additional capital for its banking subsidiary, Duboff Brothers, which will result in Duboff's paid up capital being £1.5m.

The CF group made a pre-tax profit of £1.03m. in 1972.

Eldridge Stableford to pay 21%

Eldridge Stableford, the investment holding concern, has obtained Treasury consent to pay dividends equivalent to 21 per cent. for the year *1973—this will* be in line with the 20 per cent. forecast at the time when new capital was raised in 1972, as increased by the 5 per cent. allowed under present legislation.

The company was limited for 1972 to the 10 per cent. interim (8 per cent. paid in respect of 1971), although, but for restraint the directors would have recommended a 15 per cent. final, making 25 per cent. for 1973.

A 10½ per cent. interim has already been declared for 1973 and a final equivalent to 10½ per cent. will be recommended.

The dividend decision is revealed in a letter to shareholders, which states that the acquisition of Kelvin Impex has been completed with an initial payment of £391,784—total consideration, with the final payment due in 1975, has a maximum value of £1,050,000. KI's turnover is expected to exceed £2m. in the year to May 31, 1974, compared with £1,596,158 in 1972-73, when its pre-tax profits were £375,939.

ES has also finalised the expansion of its merchanting activities with the acquisition of the remaining capital of Como *(Importers)* Trading, and is extending Como into further trading areas.

ES pre-tax profits of £485,000, already disclosed for the half-year *to June, 1973, are analysed* as follows (figures in £'000): Investment banking, £339; financial services, £127; commercial services, £17; *leasing*, £2; merchanting and retailing, £99; *manufacturing*, £80; property, £46; less overheads, £75 and central interest, £176.

COUNTY BANK INTEREST IN HOME COUNTIES NEWS.

County Bank has acquired from Baring Bros. 628,239 Home Counties Newspapers Ordinary (23.13 per cent.) and has been appointed financial advisers to HCN whose Board is of the opinion that the *company is no longer "close."*

The holding has been purchased by County Bank as an investment it is stated.

See Men and Matters, Page 18

Unitech stake in Appliance Components

Completion has taken place of the acquisition of 35 per cent. of the share capital of Appliance Components by Unitech. Pre-tax profit of Appliance for the year ending June 30, 1973, was £137,1[illegible] and net tangible asset value at June 30 was £269,572.

Aggregate value of the consideration was £187,775—£88,5[illegible] cash and 76,715 10p shares taken at 129p per share.

Unitech has agreed, subject to certain conditions being satisfied, to acquire the remaining 65 per cent. at a price corresponding to not more than 10 times the average of the after tax profits per share for the three financial periods ending May 31, 1975.

Levex to sell subsidiary

Levex, the double-knit jersey and hosiery group, announces that *subject to shareholders'* approval, it has agreed to dispose of a subsidiary, Albany Fabrics, to Mr. M. Beckman and Mr. C. Weinstock.

Mr. Beckman and Mr. Weinstock, Albany's founders, will continue to operate the business independently. They have retired from the main Board of the Levex Group, to which they were elected when Levex acquired Albany in August, 1972.

Levex will receive for the sale of shares and repayment of inter-*company loan accounts* £445,000 in cash upon completion, and a further £30,000 six months after completion. Mr. B. J. Levy, chairman and managing director of Levex, *has agreed to purchase* personally the 160,000 Levex Ordinary shares held by Beckman and Weinstock and their associates for 25p per share.

Mr. Levy said the sale of Albany would provide Levex with increased liquidity for eventual diversification into other areas. Albany's pre-tax profits for the year ended August 31, 1973, are estimated to be of the order of £140,000, with net assets of about £220,000. Further details will be circulated to shareholders.

BLYTH GREENE DEAL

Earnshaw Brothers and Booth of Burnley, *manufacturers of* kitchen units, and Alan Cooper, Todmorden, makers of office furniture, announce that agreement in principle has been reached for the purchase of Earnshaw by Cooper, a subsidiary of Blyth Greene, Jourdain and Co., one of the City's oldest merchants and merchant bankers, which proposes to go public in 1974.

The heavy programme of capital expenditure now being carried out by Cooper precludes completion before July, 1974, but in the meantime the necessary investigations and planning will be carried out and management of the companies will be co-operating *closely on future policy.*

It would be the intention to expand production at the Burnley factory in order to absorb the excess demand for Cooper office *furniture while increasing the* present production of kitchen units.

MACLEHOSE

Mr. J. H. G. McMahon confirms that on November 19 he sold to Rew Securities 370,110 MacLehose Group Ordinary shares at 40p *each and on November 22 sold a* further 65,872 to Rew at 42p each.

ISSUE NEWS

JOHN FOSTER RIGHTS

John Foster and Son proposes to raise about £610,000 by the issue of 1,439,393 Ordinary 25p shares at 45p per share on the basis *of one new share for every* three held November 21. County Bank is to underwrite the issue.

The group is forecasting attributable pre-tax profits for the 14 *months period* to March 1, 1974, of not less than £1.1m. and the directors expect to recommend a final dividend of 2.70p in respect of this period on existing stock units and the ne wunits.

On an annual basis this dividend, with the *interim* already paid and the respective related tax credits, is equivalent to a gross 17.5 per cent., a rise of 25 per cent. over that for 1972. The Treasury have indicated that this increase will be allowed.

The issue is being made in view of the increased turnover of this worsted spinning and weaving group and the investment (approximately £750,000) in new building plant at Queensbury.

Brokers to the issue are Cazenove and Co.

SHORT TERM LOCAL LOANS

Arrangements have been completed for the placing of the following local authority loans.

Bucks Water Board (£½m.), Borough of Loughborough (£½m.), *Mildenhall Rural District* Council (£½m.), Swanscombe Urban District Council (£300,000), Whitstable Urban District Council (£½m.), West Pennine Water Board (£½m.), West Shropshire Water Board (£½m.), Bletchley Urban District Council (£½m.), *Royal Burgh of Inverness* (£½m.), Borough of Rugby (£½m.), Devon County Council (£½m.), Essex River Authority (£½m.), County Borough of Dudley (£½m.), *Upper Stour Main Drainage* Authority (£½m.), Chesterfield Corporation (£½m.), City of Dundee (£½m.), County Borough *of West Bromwich* (£½m.), Holyhead *Urban District Council* (£½m.), Borough of Ilkeston (£½m.), *South East Lancashire* and North East Cheshire Passenger Transport *Executive* (£½m.), *are all issuing 15 per cent.* Bonds due December 4, 1974 at par.

In association with issuing house Morgan Grenfell brokers Phillips and Drew *placed* the Bucks, Loughborough, Mildenhall, Swanscombe and Whitstable bonds in association with Issuing House County Bank the West Pennine Bonds. *Bletchley* and Inverness made arrangements with S. G. Warburg and Company for the placing of the Bonds on the introduction of Roberts Union Company; Rugby on the introduction of Buxtons and MBS; Dudley and Upper Stour on the introduction of IMTA Loans Bureau; Essex River Authority on the introduction of Butler Till. Devon made arrangements with S. G. Warburg directly.

Brokers to the other Bonds were R. Nivison and Company to Chesterfield, Dundee and West Bromwich, Short Loan and Mortgage Company to West Shropshire, J. and A. Scrimgeour to Holyhead, Ilkeston and South East Lancashire and North East Cheshire.

Norwegian company announces builders for £10m. steel plant

BY HAROLD BOLTER, INDUSTRIAL EDITOR

IE NORWEGIAN Elkem-igerverket company has pointed IDC. of Stratford-on-Avon. and Korf Engineer-g. of Dusseldorf, to design, pply and instal plant at the 0m. mini-steelworks it is to ild in Manchester.

Elkem-Spigerverket has taken er the development site from buson and Nephew which had elf considered developing a ni-plant there, after spending ne time evaluating various K. sites.

At one stage Elkem-Spiger-rket threatened to abandon its ans for a works in Britain er the Government had fused it an industrial develop-ent certificate to develop at esterfield.

The controversy died down in ptember this year, however, ien a certificate for the Man-ester development was anted. Manchester planning mmittee has since recom-ended approval for the project, bject to ratification by the ly Council next month.

illet casting

Elkem-Spigerverket is adding rolling mill for the production reinforcing bars to Johnson d Nephew's original scheme r a steel-making and billet sting plant.

The Manchester works will be stalled and commissioned in o stages. The first will con-t of an ultra high-power elec-c arc steel furnace and a let casting machine, plus cillary plant and building to oduce about 100,000 tons of lets annually.

The second phase will com-ise an additional furnace and sting machine together with a complete rolling mill and des-patch facilities, giving a final billet capacity of about 200,000 tons a year.

Both IDC and Korf Engineer-ing have wide experience of steel works development, particularly on projects similar to the Man-chester plant.

Configuration

IDC played a major role in the building of Britain's first mini-steelworks at Sheerness and Korf Engineering has designed, built and operated mini-steelworks at Georgetown, in the U.S., and at Hamburg and Kehl in Germany. It has further projects under construction in France and the Near East.

For the first phase of the development IDC has been given a contract worth about £850,000 as main contracts for the design, supply and installation of build-ings, civil works and plant foundations, including all site and preliminary work.

The company will operate in conjunction with Korf Engineer-ing to develop an efficient plant configuration.

Under a separate contract, Korf Engineering has been appointed as engineers and will be respon-sible for the plant lay-out and for the purchase and instal-lation of equipment. The total development will be co-ordinated and directed by Elkem-Spigerver-ket. The Manchester firm of Perry and Perry has been retained as quantity surveyors.

It is hoped that steel produc-tion will start at the Manchester works in the first half of 1975. At that stage, about 120 people will be employed, but subsequent expansion should lead to employ-ment for between 250 and 300 workers.

Few nuclear workers die of tumours

BY DAVID FISHLOCK, SCIENCE EDITOR

IE DEATH rate of British omic energy employees and nsionable ex-employees from mours has been substantially wer than the national average r the past 10 years, Sir Brian indeyer, chairman of the ational Radiological Protection oard, the Government watchdog mmittee on radiation, told iclear engineers in London st night.

In 1972 the death rate from neoplasms, including akaemia, of U.K. Atomic iergy Authority employees was per cent. of the expected ure, he said, and smaller ures had been obtained for ch of the 10 years for which cords were available.

He was not suggesting that liation was good for the alth, but there was certainly obvious long-term effect on health of the people close nuclear reactors and other lioactive equipment.

The public was fearful, he d, about the consequences of idents in nuclear reactors. f, however remote, it was re must always be a possi-ty of some unforeseen urrence or some human error. nintended criticality" was ays a hazard that could arise n human error. It might be ious, even fatal, to the two or ee people involved. But ntrary to a great deal of lic misconception," it could be an accident of disaster portions, and was extremely ikely to occur at a reactor

nother public misconception, l Sir Brian, was that reactors could explode and blow up like an atomic bomb, causing a national disaster. He stated categorically that this was not possible. Neither the composi-tion of the fuel nor its con-figuration would allow it to happen.

He admitted, however, the possibility of an accident to a reactor, with serious conse-quences to the surrounding population. The probability was "exceedingly low" but it must be envisaged and precautions taken to minimise any effects.

Detailed studies had indicated that the consequences of such an accident would be no greater in magnitude than the consequences of an airliner crash or ammuni-tion explosion. But they would be different. Any fatalities would be caused by radiation exposure and would occur over months or years and not imme-diately.

Expansion and development of nuclear power would increase the problems with the increasing size of installation, and intro-duce new problems such as manufacture and processing of plutonium fuels. As radiation doses were reduced, it needed greater effort and cash to obtain even minor further reductions.

At some stage the benefits to be gained would not exceed the cost and effect involved. In a situation where it could not be claimed that even the smallest exposure was completely free from risk, strenuous efforts had to be continued to reduce radiation doses until that stage was reached.

Good response to appeal or return of bottles

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

PLE are responding well o eals that they should return les during the national short-

e Royal Arsenal Co-operative ety maintained yesterday its advertising campaign to uade customers to return ty milk bottles promptly had with "a tremendous onse."

ACS delivers milk daily to 000 households and 200 of wn food shops. At the start he campaign it was having replace 100,000 "missing" es a week. However, since the advertising started, the weekly deficit has not only been entirely eliminated but 45,000 of the "missing" bottles from pre-vious weeks have been recovered.

A spokesman for the Coca-Cola bottlers reported that their cam-paign had met with "a good early response" but so far it was not possible to give statis-tics.

He added: "However, we are still very short of the 26-oz family-sized returnable bottles and unless the situation im-proves we will certainly have a shortage during the peak Christ-mas period."

Hospital cases rise by over 1m. in decade

NUMBER of cases dealt by National Health Service itals in England and Wales year was 1m. higher than total 10 years ago.

ell over 5m. cases were dis-ged from hospitals last year, ared with 4m. in 1962—a of 27 per cent.

e figures are included in a minary 1972 report on hospi-n-patients prepared by the rtment of Health and Social rity and the Office of Popula-Censuses and Surveys.

mparing 1972 with the ious year, the figures also a shortening in the average ng time for hospital entry 13.9 to 13.4 weeks.

e number of abortions ed out in NHS hospitals y more than 4,000 to 118,000 year.

Maternal care continued to form the largest group of cases —one in five of all hospital stays —but the average post-natal stay was cut from 8.2 to 6.2 days during the decade.

STATIONS CLOSED THIS WEEK-END

Charing Cross and Waterloo (Eastern) stations will be closed on Saturday and Sunday because of engineering work, British Rail said yesterday.

Charing Cross trains will be diverted to Cannon Street except for Caterham and Tattenham Corner services which will stop at London Bridge.

Waterloo main line station will be operating normally over the week-end.

German bearing makers report poor earnings

BY ANDREW HARGRAVE

FRANKFURT, Nov. 27.

WEST GERMANY'S two leading ball bearing manufacturers—the West German subsidiary of the Swedish SKF and the Kugelfischer group, both based in Schweinfurt report improved sales, good order books, but still unsatisfactory profits to-day.

SKF which made an operating loss of DM30m. last year on a sales volume lower than in 1971, expects to be "in the black" in 1973. Sales and the order intake have improved but the return on capital is not sufficient, says Herr Lars Munktell, the finance director.

This year SKF is expected to achieve a 50 per cent. increase in sales to reach between Dm850m. and Dm.870m. The order intake, "surprisingly good," according to Herr Munktell, should reach a level about the same as that of sales.

High cost increases are to be absorbed by rationalisation measures, including a further cut in personnel, now at 14,500 and 12 per cent. less than last year. Price increases, of between 4 and 5 per cent. this year—will be limited to the minimum in spite of increases in labour and raw material costs.

So far neither SKF nor Kugelfischer has felt the effect of the energy crisis, although the motor industry accounts for 40 per cent. of SKF's sales and 35 per cent. of Kugelfischer's

If sales to the motor industry decline, they say, this will be caused by factors other than the oil shortage.

The larger part of SKF's output including machine parts as well as ball bearings, is absorbed by the electrical and textile machinery industries. Investment at about Dm.50m. this year will rise slightly in 1974, mainly on account of rationalisation plans. SKF's investment was very much higher in the past few years.

The Kugelfischer group, 35 subsidiaries and 33,000 employees, one of the largest private groups in West Germany, also reports an upturn in sales and orders this year and, like SKF, less than satisfactory profits.

The group which achieved a turnover of DM1,400m. last year — slightly more than in 1971 — increased it by 14 per cent. in the first nine months of 1973 against the same period last year. Its order book stands a full third higher and its capacity is utilised about 4 per cent. better than a year ago.

Return of sales, says Dr. Georg Schaefer, senior executive, should be between 2 and 3 per cent. this year compared with last year's 1.3 per cent. because of rationalisation measures and price increases. The labour force, said Dr. Schaefer, is to be trimmed further.

Currently Kugelfischer exports 42 per cent. of its output including its foreign subsidiaries which account for about a quarter of total sales. The group hopes to offset any declines in the domestic market by increased exports.

This year the parent company expects to invest only DM60m., about 15 per cent. less than in 1972 when the development centre at Schweinfurt was completed. Eventually the group intends to build a completely new factory there, but next year further cuts in investment may be expected.

DAF fears car profits setback

BY MICHAEL VAN OS

AMSTERDAM, Nov. 27.

DAF, the Dutch vehicle manufacturer, has disclosed that its car company, which made a modest Fl.7.4m. net profit on sales worth Fl.625.6m. last year, "may just about break even this year."

Company secretary, Mr O. C. M. Wibaut, said in Eindhoven late last night that there had been several reasons for the negative development. "There are the general monetary difficulties, the recent revaluation of the Dutch guilder and now, to finish it all, the oil crisis."

He added that as a result, sales on the home market had shown a 30-40 per cent. decline while exports had fallen about 30 per cent. It was therefore planned to introduce short-time working in the Eindhoven and Born car factories.

Mr. Wibaut did say, however, that there had been "some evidence" of sales picking up marginally. This was probably due to the first shock effects of the Arab oil boycott wearing off a bit. But the used car market had "crashed altogether here," Mr. Wibaut said.

He said that DAF Car's net profits this year "may be only Fl.1m. or could even reach the zero point." Sales of DAF Truck had not been affected, however. DAF's total car sales, which were exepcted to reach around 100,000 during the current year, may now total about 92,000 instead.

DAF's car sales to Britain—a rapidly growing market—are expected to total 16,000-17,000 this year against a forecast of about 20,000. Whereas British sales doubled last year, Mr. Wibaut commented that in view of the various developments. "we have reduced British sales by 30 per cent. ourselves to keep *losses there to a minimum*."

Lonza holders accept bid

By John Wicks

ZURICH, Nov. 27

THE TAKE-OVER bid of Swiss Aluminium, Zurich, for the Basle-based chemical firm Lonza has been accepted. Within the prescribed period, holders of a total of 177,886 Lonza bearer *shares, or 88.94 per cent. of those* outstanding, have declared their readiness to exchange these into bearer shares of the Alusuisse concern.

Energy crisis looms over Fiat labour talks

BY ANTHONY ROBINSON

ROME, Nov. 27.

THE MEDIUM and long term consequences of the fuel crisis have injected a new element into the labour talks now taking place at Fiat.

Fiat has a much stronger position in small cars than most other car manufacturers but has reported a drop of sales of over 35 per cent. in some foreign markets following the various fuel crisis measures. As a precautionary measure Fiat has decided to block all new employment at company plants and will not even replace natural wastage until the situation becomes clearer.

This action, together with its notification that it will have to review its future investment plans in view of the energy situation, is hanging over the current negotiations. Up to now, however, Fiat describes the negotiating climate as being "very civil" and both sides reportedly show willingness to conclude the negotiations as rapidly as possible.

Given the wide-ranging nature of these current labour negotiations they have become something of a forum where possible changes in investment plans, to include a greater emphasis on public rail and road transport expansion and a downgrading of investment in private car facilities, are being discussed.

BASF may seek London listing

BASF MANAGEMENT Board member Mr. Rolf Magener said that owing to the increasing scarcity of raw materials, the company may have to intensify its activities in the field of special artificial materials at the cost of bulk artificial materials.

At a Press conference on the introduction of BASF shares on the Amsterdam stock exchange from December 6, he said London will probably be the next place where the company's stock will be listed.

Public sector loans unconfirmed

By Mary Campbell

THE BRITISH Electricity Council last night denied reports that it is negotiating a *loan of $200m. on the Euro-markets.*

It said that while it is apparent to everyone that its capital investment programme requires continual finance and while it is always weighing up the balance of advantage between loans and National Loan Fund borrowing, there is no substance in the $200m. figure. No commitments of any kind, it said, are in existence at this stage.

Rumours of a large loan to the Electricity Council, in which National Westminster is said to be playing a leading role, are nonetheless widespread in the Euromarket, as are rumours of a large loan for the Greater London Council. While there is no doubt that a lot of banks in the City are competing in making proposals for foreign currency loans to the GLC, the GLC itself says there is no truth in the $300m. figure which has been reported.

Meanwhile two British companies have negotiated sizeable *loans on the Euromarket for* overseas investment. First National Finance Corporation has borrowed $50m. for seven years from a syndicate led by Hambros, the proceeds to be used for future investment in the U.S. and elsewhere.

Cavenham has arranged a facility of up to $60.8m. to finance its proposed purchase of up to 3.2m. shares of common stock of Grand Union of New Jersey. This loan would also be for seven years and has again been arranged by Hambros.

Record year for Swedish co-operative

By John Walker

STOCKHOLM, Nov. 27

THE SWEDISH Co-operative Association (KF) — one of the largest companies in Scandinavia — reports a record year for 1973 with sales reading Kr.8,000m. (£800m.) and a profit after depreciation and interest amounting to Kr.90m.

It is forecast that the profit for next year will be about Kr.116m. But KF says, prices will also rise next year. Last year the profit amounted to Kr.50m. against a loss of Kr.34m. in 1971.

The better result, the company says, is mainly due to an intensive programme of saving costs and rationalisation. The largest increase in sales was accounted for by exports. Next year investments are expected to amount to Kr.400m. compared with Kr.280m. this year.

Norwegian tanker order

By Fay Gjester

OSLO, Nov. 27

BERGEN SHIPOWNER Hilmar Reksten has ordered four tankers of 420,000 deadweight tons each from Norway's Aker Shipbuilding group, for delivery in 1977 and 1978, it was announced here to-day. The ships will be the biggest ever built in Norway.

Meanwhile, the Aker group has turned down an invitation to partner Mr. Reksten in building a new yard for supertankers at Askoy, in west Norway, because this would not tie in with the company's own expansion plans, which involve extending its supertanker yard at Stord, also on Norway's west coast. Reksten now intends to go ahead with the shipyard scheme on his own.

Sté Generale forecast

BRUSSELS, Nov. 27.

SOCIETE GENERALE de Belgique chairman M. Max Nokin said group profit for 1973 will be "significantly higher" than for 1972. He told shareholders at the annual meeting that results so far confirm predictions made earlier this year that portfolio income would rise while income from financial operations would fall slightly.

Societé Génerale last year reported after-tax profit of B.Fr.846.5m. (B.Fr.830.7m.). But M. Nokin warned "nobody can say what can happen in the next few weeks" because of the oil crisis.—Reuter

U.S. RAILROADS

No longer 'a very fine Line'

Since the 1960s the Federal Government has been trying to save the dying U.S. railways. Gordon Weil in Boston discusses the prospects for the latest freight traffic plan to create a new railroad body, the Fanny Rae. She would work alongside a second corporation, whose task it would be to make a profit out of the freight side, hopefully with more success than Amtrak has achieved on passenger lines.

"The Rock Island line is a very fine Line," are the words of a popular American folk song. They celebrate the day of the great railways. That day has passed, and many believe it will never be seen again.

But not Uncle Sam. The *Federal government is trying* once again to save the dying railways. This time, the task seems more urgent in view of the energy crisis which is thinning out the cars and lorries. Yet, in New England, there are those who simply do not want to be "saved" by Washington.

The first major move by the Federal Government directly into the rail business came in the late 1960s. Most of the major railway companies had allowed their passenger service to fall into ruin because it was not profitable. They hoped that Washington would take over this part of their operations, leaving them with the more profitable freight routes.

When the situation got desperate enough, that's exactly what the Federal Government did. On May 1, 1971, Amtrak, a quasi-public corporation created by Congress, began operating all the passenger rail transportation in the United States with the exception of some commuter lines and Southern Railways, which knew how to turn a profit without Uncle Sam's help.

The Amtrak plan consisted of lopping off unprofitable passenger routes and shifting the best equipment to the remaining lines. On the New York-Washington run, new, higher speed *trains, called Metroliners, were* put into service. A single turbo-train went into service between New York and Boston.

Two years later, Amtrak hasn't quite worked out according to plan. Only the Metroliners and a Washington-New York-Montreal train show a profit. The rest of the nationwide net still is deep in the red. Objective observers say the main problem is that the same old management groups are operating the same old lines, even though they fly Amtrak's flag.

What about the remaining freight traffic? In 1970, the great *blow struck the biggest railway* and the reverberations were felt throughout the economy. The Pennsylvania and New York Central had merged a couple of years earlier into the Penn Central. Since these two railways had been in direct competition, the logic of the merger was that greater efficiency could be obtained.

Despite the merger, there was no change in management. The situation went from bad to worse and by 1970 Penn Central was on the verge of bankruptcy. Congress was reluctant to bail it out, although it eventually did.

Penn Central was not the only railway that went into bankruptcy, which meant that the courts appointed trustees to try *to salvage them. The Boston* and Maine, the major line in New England, and several in the New Jersey and Pennsylvania area also went under. Congress took the attitude that it would give the trustees a chance to get the lines back on the rails, with generous Federal subsidies.

By 1973, it became clear that even that attempt to bail out the railroads was doomed to failure. The Penn Central went into Federal Court and asked the judge to let it go out of business entirely on November 1. The judge, sitting in Philadelphia, gave the impression he would *accede to the railway's request* because a continuation of the situation would be a disservice to its bondholders and to the taxpayers. But he deferred a final decision until Congress had time to act.

In November, the House of Representatives adopted a Bill which would, in effect, nationalise the Penn Central, the Boston and Maine and four lines which operate mainly in New Jersey. The Bill would create the Federal National Railway Corporation, which would be authorised to raise $1,000m. in the credit market.

The Federal National Railway Corporation has already been dubbed "Fanny Rae." She would take her place alongside "Fanny *Mae," who deals with mortgages* and "Sallie Mae," who handles student loans. The Wall Street Journal worries that this trio of matronly money-grabbers could permanently distort the national credit market.

"Fanny Rae" would lop off about 6,000 of the 30,000 miles of track of the nationalised lines. It would spend $500m. on re*habilitating the rolling stock and* the road bed. It would be a non-profit organisation, which is no surprise in the railway business these days.

The routes would be operated by a second corporation—the Northeast Railroad Corporation. That one is supposed to be profit making. Somehow it has to make the Amtrak formula work for freight traffic.

The bill is now in the Senate. Some Senators dislike giving so much power to an autonomous *corporation.* The White House doesn't like the price tag which would be at least $1,400m. The bill provides for generous payments to workers who lose their jobs because of the merger.

In addition, it offers subsidies to cover up to 70 per cent. of the operating cost of the lines dropped which are picked up by states and cities. There's a $50m. annual ceiling on that measure. Whatever form the final bill takes, it seems certain that the Federal Government will take over the Northeast railways.

The Boston and Maine is frankly unhappy about the plan. Unlike the Penn Central, the Boston and Maine is on the verge of breaking into the black according to its trustees. They are considering mergers with the Bangor and Aroostook, the Maine Central (both in Maine) and the Delaware and Hudson, all of which know how to make a profit on their freight operations. In addition, they are well into negotiations for the sale to the State of New Hampshire of certain marginal routes. They fear that the prospect of "Fanny Rae" will halt those talks.

Some 125,000 New England jobs depend on the railway. If Fanny Rae goes the way of Amtrak many of them will be lost.

Yet the people who depend on *the Northeast lines seem to* favour the Federal takeover

Canada's airlines extend routes

BY VICTOR MACKIE

OTTOWA, Nov. 27.

AIR CANADA and CP Air have welcomed the Canadian Government's new international air policy. They believe it gives the two airlines opportunities to start building for round-the-world routes. Planning will start immediately.

The two airline heads expressed satisfaction that the new policy provides them with a broad basis for long range planning. Mr. Ives Pratte, Air Canada chairman saw the new policy providing the Government-owned airline access for the first time to South America, Africa, the Middle East and Asia. Mr. John Gilmer, president of CP Air, the privately owned airline, voiced his gratification that the revised Government policy now enabled his company to start developing extended routes with confidence and enthusiasm.

In his redivision of the world for the two major airlines, Transport Minister Jean Marchand appears to have accomplished the impossible and devised a policy which on first examination left them both reasonably satisfied. He gave the lucrative Milan route to CP Air but balanced that by awarding the potentially lucrative route to Yugoslavia to Air Canada.

The new air policy announced on the week-end is the first of three statements to be made by Mr. Marchand. The second will deal with the allocation of U.S. destinations. Canada and the U.S. are still negotiating. The third *statement will deal with third* level carriers.

Mr. Gilmer noted that the new policy gives Air Canada nearly all of Africa as well as eight countries which are in the areas which had been allocated to CP Air under the previous Government policy laid down in 1965. A segment of North Africa is the only new area assigned to CP Air and no territory has been taken from Air Canada said Mr. Gilmer.

As a result he hoped that early action would be taken in connection with CP Air's long standing requests for relaxation of the wasteful routing and capacity restrictions on the transcontinental services within Canada. He also hoped CP Air would be granted 50 per cent. of the 46 new U.S.-Canada routes once these routes have been agreed by Canada and the U.S.

Mr. Pratte of Air Canada has expressed delight that under the new policy neither air carriers are restricted from developing around the world routes. He was happy that Air Canada continued to be designated the pre-eminent carrier by the Government in both its domestic and international roles.

The new policy leaves it unclear how the Government will divide up South East Asia, particularly Singapore and Bangkok. This is an area where CP Air would like to see prompt action to initiate negotiations for air agreements.

Mr. Gilmer said CP Air has had applications before the Government for some time indicating its desire for designation of CP Air to serve Bangkok and Singapore. He also wants the Philippines included in the CP Air route pattern.

Saint-Gobain hopes turnover will double

By John Wicks

TURNOVER of the French industrial concern Compagnie de *Saint-Gobain-Pont-a-Mousson has* risen by some 70 per cent. in the period 1970 to 1973 to reach about Sw.Frs.10,500m.

This was stated by company vice-president M. Edmond Pirlot at a reception here to-day to celebrate the December 3 introduction of the company's stock to the bourses of Zurich, Basle and Geneva. The concern, said M. Pirlot, expected on the basis of cautious estimates, to double its sales figure by 1978.

Saint-Gobain-Pont-a-Mousson is hoping for a dividend increase this year, it was indicated. Consolidated net profits were up 6 per cent. for the first half of 1973 and the trend continues to be "very favourable" in the second six-month period.

He expressed concern at the energy situation in 1974. The undertaking, however, has not yet experienced production cuts due to the oil position, said the company.

Company Results

U.S. stores groups lift earnings

● **Sears Roebuck** posts record high third quarter earnings of 96 cents per share on net of $150.65m. compared with 90 cents per share on net of $141.61m. Sales totalled $3,111.03m. ($2,829.95m.).

● **F. W. Woolworth** reports a rise in third quarter earnings to 59 cents, per share or net of $17.83m. from 38 cents per share on net of $11.92m. in the same quarter of 1972. Sales totalled $914.486m. ($774.230m.).

● **Carrier** profits advanced to $1.64 per share or net of $40.76m. during the year to October 31, from $1.32 per share or net of $32.63m. Sales totalled $876.68m. ($753.24m.).

● **Union Steel Corporation of South Africa** reports net profits of R910,000 in the three months *to September 30 making profit for* the first nine months of R86,000 (R1.176m.). The company said in its mid-year statement to June 30 a loss of R824,000 was reported, but directors expected this to be *largely eliminated by the year-*end. It added the improved profit position is attributable mainly to higher levels of production and despatches of all steel products, and increased productivity and reduced costs in the new melting and continuous casting complex. It is anticipated all the steel divisions and the copper division will operate profitably during the remainder of 1973, but the losses in the aluminium division will continue.

● **IRH Industries** reported a group loss of $A275,685 for the year ended June 30 compared with a profit of $A403,249 the previous year. No final dividend is recomended.

Directors said profits for the first four months of the present financial year are level with budget and ahead of those in any comparable period in recent *years. Forward orders in hand are at record level, and directors* anticipate a satisfactory result for the full year.

● The decline in revenue of **Consolidated Press Holdings** that had occurred at the end of the past year has continued into the new financial year, directors said in the annual report. They noted that in the present circumstances of "economic and industrial confusion" advertising revenue is not likely to improve quickly. Group profit to date since June 30 is less than in the same period last year, the decline being primarily *in the profits of the television sub*sidiaries.

● **Toyo Spinning** reports after-tax profits of Y3,479m. for the six months to October 31 (2,270m.) on gross sales of Y144,090m. (Y118.089m.). An increased dividend of Y3.50 (Y3.00) is to be paid.

● **Daiwa Spinning** reports after-tax profits of Y2,074m. (Y754m.) on gross sales of Y38,349m. (Y34,135m.). An increased dividend of Y4.25 (Y3.75) is to be paid.

Other News

Honda Motor raises domestic prices again

● **Hondua Motor** said it is raising domestic prices of all its models by 5.7 per cent., or an average of Y27,000, effective immediately.

Honda said the rise is smaller than that announced by Nissan Motor, which was an average of 6.5 per cent., and Toyota Motor's 7 per cent., as Honda had raised prices by about 3 per cent. in August.

● The issue price for the Sw.Frs.80m. 6½ per cent. 15-year loan to be floated by **Philip Morris** *on the Swis capital market from* December 3 to December 6, was fixed at 100.5 per cent., **Schweizerischer Bankverein** said.

● **W. H. Morton**, a wholly owned subsdiary of **American Express** will discontinue its corporate securities business at the end of the year. But it will continue to underwrite and distribute state, municipal, U.S. Treasury and U.S. agency issues.

● **Sveriges Kreditbank**, Sweden's State-owned commercial bank will open a representative office in New York at the beginning of the New Year. Kreditbank co-operates with Landmandsbanken of Copenhagen, and Christiania Bank OG Kreditkasse of Oslo in the New York project.

● **International Business Machines** announced price changes which include an increase of 2 per cent. for most data processing products *and services. IBM also announced* price changes for office products, including an increase of about 5 per cent. for electric typewriters. In addition, increases of about 10 per cent. were announced on certain electric typewriter devices, typewriter leases and maintenance services.

IBM said the price adjustments reflect the increasing cost of doing business and have been reviewed with the Cost of Living Council.

● **Koninklijke Nederlandsche Papierfabriek (KNP)** will pay Fls.6m. cash to acquire 51 per cent. of the Dutch folding carton board manufacturer **Verenigde Papierfabrieken Eerbeek.** KNP's subsidiary Gelderland Tielens Papierfabrieken already owns 49 per cent. of Eerbeek.

● **C and C/Bohrer**, a subsidiary of **Westinghouse Electric** has announced that it has changed its name to **Cebor Construction Corporation.** Cebor will continue in the same business of water and waste treatment construction.

● **Bell Brothers Holding** reiterated its recommendation to shareholders not to accept the offer of $A1.30 a share for the whole issued capital of the company by Harlesden. Deputy chairman G. D. Bell said the offer price is below the company's reported net tangible asset backing of more than $A2 per share. The offer heavily discounts the future earning potential of the group.

He noted the company has been trading profitably for each of the four months since July. Given a continuation of current trading conditions the directors expect profits to continue to improve for the rest of the present financial year. The directors expect the company to "rejoin the dividend lists" before the end of this year.

● **Cement Industries** said it has an interest in 15,360,562, 50 cents fully-paid shares and 3,287,600 partly-paid shares in Australian and Kandos Cement Holdings. Cement Industries is jointly owned by CSR and Pioneer Concrete Services.

● **Mannesmann** said its unit **Lohmann und Stolterfoht** will start building ships' planetary gears under licence from Ishikawajima-Harima Heavy Industries in 1974. But it declined to give further details.

SELECTED EURODOLLAR BOND PRICES MID-DAY INDICATIONS

STRAIGHTS	Bid	Offer
Anglo American 7¾pc 1987	88	89
Ashland 8pc 1987	95	96
Bluebell 7¾pc 1987	87	88
British Land 8pc 1987	98½	99½
Cadbury Schwps. 7¾pc 1990	91¾	92¾
Carrier 8pc 1987	95	96
Consd. Foods 7½pc 1991	90	91
Cutler Hammer 8pc 1987	95	96
Denmark 7¾pc 1990	89	90
Fisons 8½pc 1987	96	97
General Cable 8½pc 1987	[illegible]	97
Grand Met. 7¾pc 1987	85½	86½
Guardian RE 8pc 1987	92½	93½
Gutehoffnungshütte 7¾pc '86	91	93
Hambros 7¾pc 1987	92½	93½
Hamersley 8pc 1987	92	93
ICI 7¾pc 1992	90½	91½
Kleinwort Benson 8½pc 1987	95½	96½
Legal and Genl. 7¾pc 1988	91	92
MEPC 8pc 1991	88	89
Michelin 7¾pc 1986	[illegible]	92
Nat. and Grindlays 7¾pc '87	90	91
RHM Intl. 8pc 1986	90	91
Prov. of Quebec 7¾pc 1988	92	93
Shell Intl. 8pc 1986	96½	97½
Slough 8pc 1988	88	89
South Africa 7¾pc 1987	90	91
Standard Oil (Ind.) 8½pc '88	100½	101½
Tenneco 7¾pc 1987	93½	94½
Town and City 8pc 1987	88	89
Volvo 8pc 1987	94	95
Wellcome 8½pc 1987	95½	96½
Williams & Glyn's 8½pc '87	96	97
NOTES		
Bank of Tokyo 7¾pc 1976	96½	97½
Barclays 7¾pc 1978	98½	99½
Du Pont 7¾pc 1978	99	99
Esso Intl 7¾pc 1978	97	98
First Chicago 7pc 1980	91½	92½
General Motors 8½pc 1976	99	100
Rockwell Intl. 7¾pc 1979	96½	97½
Tenneco 7¾pc 1979	95½	96½

Source: White Weld Securities.

CONVERTIBLES	Bid	Offer
American Express 4¼pc '87	100½	102
American Motors 6pc 1992	101	103
Amoco 5½pc 1984	117	119
Beatrice Foods 4½pc 1992	90	91½
Beatrice Foods 4⅞pc 1992	97½	99
Borden 5pc 1992	80	81½
Broadway Hale 4½pc 1987	73	75
Carnation 4pc 1987	75	77
Chevron 5pc 1988	93	95
Dart 4¾pc 1987	101½	103
Economic Labs. 4¾pc 1987	86	89½
Ford 6pc 1986	81½	83
Ford 5pc 1988	73½	75
General Electric 4¼pc 1987	96½	98
Gillette 4¾pc 1987	82½	84
Gould 5pc 1987	73	75
Halliburton 4¼pc 1987	138	140
Harris 5pc 1992	92	94
Hitachi 6¼pc 1984	93	101
Honeywell 6pc 1986	92	93½
ITT 4½pc 1987	76½	78
Komatsu 6¼pc 1984	100	107
J. Ray McDermott 4¾pc '87	134	136
Masco 4½pc 1987	88	90
Mitsubishi Elec. 7pc 1985	137	
J P Morgan 4¼pc 1987	117	119
Motorola 4½pc 1983	131	133
Murphy 5pc 1989	138	140
Owens Illinois 4½pc 1987	96	97½
J C Penney 4½pc 1987	86	87½
Rank 4½pc 1993	74	76
Revlon 4½pc 1987	86	87½
Sime Darby 5½pc 1988	72	74
Slater Walker 5½pc 1987	74	76
Sperry Rand 4¼pc 1987	98	99½
Squibb 4¾pc 1987	97½	99
Toshiba 6½pc 1985	122	
Union Carbide 4½pc 1982	88½	90
Warner Lambert 4½pc 1987	98	99½
Warner Lambert 4½pc 1988	88½	90

Source: Kidder, Peabody Securities.

FARMING AND RAW MATERIALS

Wool price stability 'essential'

SYDNEY, Nov. 27.

STABLE WOOL prices are needed if Australia is to retain its share of the world market, Mr. Ken Wriedt, Minister for Primary Industry, said here to-day, reports Reuter.

Just back from a visit to London, Paris, Rome and New York, where he talked with wool-processors, Mr. Wriedt said they felt they could not plan ahead with any reliability on wool prices, and were worried that the market prices for wool had dropped leaving them with large stocks.

Pointing out that wool was down to about 6 per cent. of the textile market, he warned that synthetic fibres were much more reliable to work with.

If there were some degree of assurance that wool prices would remain at stable levels it would be to the advantage of wool as a fibre, but he admitted it was difficult to judge how price stability could be achieved.

The wool market is such that improvements cannot be effected without doing damage in other directions, Mr. Wriedt commented.

At the Geelong sale to-day medium and broad merinos were generally unchanged, the official report says.

Comebacks were barely maintained and medium to broad crossbreds were up to 4 per cent. easier. Eastern Europe and Japan were the principal operators.

Merino ram export ban to continue

By Our Own Correspondent

CANBERRA, Nov. 27.

AUSTRALIAN WOOL producers and stud merino breeders have voted strongly to maintain a ban on exports of merino rams and merino semen.

Results of the industry referendum, announced to-day by Senator Ken Wriedt, Minister for Primary Industry, show only 17.2 per cent. in favour of unrestricted exports, while 23.3 per cent. support restricted exports.

The referendum was arranged after the Australian Parliamentary Labour Party had overruled a decision by Mr. Wriedt and the Prime Minister to ease the ban.

Meanwhile a shipment of 1,800 Corriedale sheep are due to leave Australia for Peru next month, according a spokesman of the Australian Corriedale Association, reports Reuter from Melbourne.

Another shipment of 7,000 Australian Corriedales was sent to Peru in February.

New upsurge in London metal markets

BY JOHN EDWARDS, COMMODITIES EDITOR

A NEW upsurge in the London metal markets yesterday took tin and zinc prices to all-time peaks, and wiped out Monday's losses in copper and lead. Cash tin rose by £32.5 to £2,435 a tonne, cash zinc by £10 to £765 a tonne, while copper cash wirebars soared by £51 to £964.5 a tonne. Cash lead was up £7 to £215.75 a tonne.

The weakness of sterling against the U.S. dollar was a "bullish" influence in all the metals initially, and a further boost to sentiment was given later by the statement from Saudi Arabia giving hope of an improvement in the oil supply situation.

Copper prices in particular were pushed up by the announcement from the U.S. producer, Phelps Dodge, that it was cutting back by 10 per cent. acceptance of orders for refined copper during the first half of 1974 as a result of disruptions to its smelters caused by a construction programme. In addition another big U.S. producer, Anaconda, confirmed it was extending its 25 per cent. cutback in deliveries to cover December shipments as well.

These cutback announcements came on top of the news that action has been postponed indefinitely on five U.S. stockpile disposal bills, including one proposing the release of 258,000 tons of surplus copper. The chairman of the armed services committee, originally due to consider the stockpile bills to-day, is apparently not satisfied with information provided by the U.S. Administration so far.

Other metals affected by the stockpile delay including zinc, where values on the London Metal Exchange rose to new peaks.

There was a significant rise in the three months zinc price, which rose by £23.5 to £659.5 a tonne, following both speculative and consumer buying. Consumers are reportedly so convinced that the shortage of zinc supplies is going to continue, that they are now prepared to buy forward, especially as new buying for any dates for delivery before the end of the year is banned.

Several more producers, including Cominco of Canada, have now raised their European zinc quotation to £300 a tonne, and the U.S. price for high grade has been raised by 5.50 cents a pound by two importing companies.

Lead prices followed the trend set by copper. But of longer term interest is the announcement that the U.K. Government is delaying proposed cuts in the lead content of petrol because of the oil crisis. This could well set a precedent for other countries, especially the U.S., where strict new anti-pollution laws are due to come into effect removing lead from petrol.

The rise in London tin prices to new heights was mainly the result of a further increase in the Malaysian market overnight and the weakness of sterling.

No communique from the International Tin Council meeting in London was issued before the market closed.

New controls on animal swill

BY PETER BULLEN

A SEVERE clamp-down on processing and feeding of swill to farm animals and poultry was announced by the Ministry of Agriculture yesterday.

The moves, which could put many of the country's 4,700 swill feeders out of business, have been taken because of the open disregard for present regulations which have led to the present epidemic of swine vesicular disease.

It is thought that the disease was introduced into Britain last December through inadequately processed swill and many subsequent outbreaks have been due to badly processed or negligently handled swill.

So far there have been 132 cases of SVD involving the slaughter of 71,000 pigs and a cost to taxpayers in compensation and other payments of more than £2m. Of the 132 outbreaks 26 were found to have swill as the source of infection; 28 involved the movement of pigs in contaminated lorries, 19 were through movement of pigs from infected premises through markets and 12 direct movements of pigs from infected premises.

The Ministry of Agriculture said yesterday it did not wish to curtail the feeding of waste foods to farm stock as if rendered safe it was a national asset particularly in these days of high cost animal feeds. But a Ministry spokesman emphasised: "Improperly handled swill is the biggest animal health risk we face."

Under the new Order published yesterday the use of any waste food for animal feed brought into Britain from abroad on ships, aircraft, hovercraft or other vehicles for consumption by passengers or crew is prohibited from February 1, 1974. This will affect at least 40 swill feeders near ports and airports known to be using waste foods from ships and planes.

The major change, however, is that from July 1, 1974, both plant and premises used for processing waste foods will have to be licensed by the Ministry. Until now local authorities were issued licences and these covered only plant and equipment. Now the Ministry intends to insist that premises will have to be up to standard with unprocessed food being separated from treated swill and no animals being allowed access to untreated waste.

The fact that swill processors and feeders have only just over seven months to bring their premises and plant up to standard—and very few at present match up to the proposed standards according to veterinary experts—indicates the Ministry's determination to reduce the risk of disease infection and spread from this source.

Failure to observe the regulations can lead to fines of up to £400 for each offence.

Iran plans £50m. U.K. farm deal

By Our Commodities Staff

IRAN HAS SAID she would spend £50m. on British dairy cattle and large dairy units over the next five years, the British Agricultural Export Council announced yesterday.

Mr. Michael Noble, MP, who was elected chairman of the Council this week said he had recently returned from Iran which planned to spend £1,400m. on a five-year plan of agricultural expansion.

There was enormous potential for British stock, equipment and technical advice which could easily result in Iran spending double the £50m. planned

Sharp fall in sugar market

By Our Commodities Editor

THE LONDON daily sugar price dropped by £4 to £108 a ton yesterday, as values on the futures market moved the permissible limit down in morning trading. Although steadying in the afternoon the March futures position closed nearly £3 down on the day at £104.15 a ton while December, where there is no limit, lost over £7.

The downward trend started in the New York market overnight, where there was widespread selling in virtually all commodity markets as a result of pessimism about the future with the oil crisis threatening to bring an overall decline in industrial activity and consumer demand. At the same time it is believed that the strength of the dollar, and the high interest rates, are encouraging U.S. speculators to sell off commodity positions previously held as a "hedge" against currency uncertainties and inflation.

The sugar market in particular is also suffering from an absence of "bullish" news needed to keep prices at peak levels.

Although some buying tenders are due shortly, Brazil announced yesterday it was planning a tender to sell two cargoes of white and crystal sugar to-day.

Cocoa prices also continued to decline, with the March position closing last night £2.25 lower at £470.25 a ton after falling to £461.5 at one stage. The London market is being particularly influenced by the decline in the December position, which has moved from being at a large premium above March to a discount of some £14.

Tin curbs continue

THE INTERNATIONAL Tin Council last night confirmed the continuing restriction on buffer stock operations in accordance with Article 26C of the International Tin Agreement, an ITC spokesman announced.

But the spokesman said that between now and the 11th session of the Council (January 15-18) the executive chairman and two vice-chairmen are authorised to introduce operations in the middle sector of the price range. "Should these be considered necessary in the light of market circumstances."

The spokesman added that the decisions were taken after the Council's review of the latest statistical position, disposals from the GSA stockpile, the current market situation and the fact that the market price of tin was above the ceiling of the Council's price range.

Reuter

HONDURAS FORESTRY

Valuable asset is going up in smoke

BY MARY CHERRY

HONDURAS has a most valuable natural asset which will soon be going up in smoke. Over 80 per cent. of this Central American country—often described as the poorest in Latin America—is forested. The major economic timber is pine.

But when the torrents of the rainy season have become only a memory and the ground vegetation is tinder dry and easy prey to any careless or intentional spark, the hazard of forest fires reaches its peak. At least 60 per cent. of the forested area of the country is burnt over every year, destroying seedlings and thus preventing natural regeneration.

The combined affect of these fires and of the over-exploitation of the best timber in recent years has been to denude a region which is potentially rich in economic forestry, and damage a country which can ill-afford such waste. Furthermore, the fires have virtually destroyed the wild life.

Hard to enforce

So there are two matters needing urgent attention. These are improvement of forest management, including better control of the timber being felled so that immediate cash oportunities do not put the future in jeopardy; and prevention of the destructive burning. On the former, the Government has begun to take important legal steps. An enabling law covering forest use has been passed and detailed orders are being worked upon.

The difficulty will be in enforcing the orders that are enacted. The burning problem goes deep and far back in history. It has many ramifications, but the fundamental issue arises from the fact that there are numerous small farmers in the forest areas who have no interest in the trees, but who have cattle roaming the forest and also practise a shifting form of agriculture. It is their traditional practice to burn the old dry vegetation to get new pasture growth for their cattle, to control cattle ticks which are prevalent, and to prepare small plots of land for cropping.

Burning is allowed on permits, but some of these fires get out of control and there are very many illegal fires.

A UN Food and Agriculture Organisation team has recently started work in Honduras to advise and help the Government forestry service in the mammoth and daunting task of trying to set up an effective fire-prevention organisation. This is coupled with technical aid in forest management and a specific demonstration project at a forest camp at Jutiapa in Olancho State.

The project is a new one that has been in operation only a few months. It consists of a demonstration district of 3,200 hectares. The intention is to make a detailed study of the forest in this area, to prevent burning, and to undertake some re-afforestation (but there is evidence that natural regeneration will take place rapidly once the hazard of burning is removed). This demonstration site is to be used for courses for forestry workers.

The need for a substantial number of people trained specifically in forestry management is very great in Honduras. Until 1969, when a National School of Forestry Sciences was established with FAO technical assistance, there were no specialised training facilities. To-day this school, at Siguatepeque, some 80 miles north of the capital, Tegucigalpa, is the only one of its kind serving Central America. The theory it teaches is strongly backed by practical work in both the three-year course for prospective forest rangers and the two-year course designed for young men intending to become forest wardens.

Texan link

The total of 70 students is being increased to 96 next year, and eventually to 150. Some men from the three-year course can qualify for a further 2½ years at the Stephen F. Austin State University, Texas, leading to a degree, and some Texan students come to Siguatepeque to do practical work. The school has 4,000 hectares of its own forest.

At the driveway entrance to the school there is a large notice telling passers-by on the busy highway to the northern industrial town of San Pedro Sula that "the future of Honduras lies in her forests." The major need is for this fact to be fully accepted by all Hondurans, before it is too late and no useful forest remains.

ICI has to cut ammonia supply

BY PETER BULLEN

ICI has had to declare force-majeure—inability to meet its contracts—on supplies of ammonia, owing to difficulties with one of its three major producing plants at Billingham.

The No. 3 unit at Billingham was taken out of production for its annual overhaul two or three weeks ago, but faults were found which could take until mid-December to rectify, an ICI spokesman explained last night.

The trouble has occurred at a time of peak demand for ammonia and urea produced at Billingham. They are the basic raw material source of nitrogen used by fertiliser manufacturers who are building up output to meet the spring sales peak.

In addition, the world oil shortage has caused an increase in demand for ammonia produced from North Sea gas owing to cutbacks in supplies produced from oil feedstock.

The combination of increased demand and having one major plant out of operation has necessitated the force majeure declaration on ICI's ammonia contracts, plus a cutback in supplies of urea sold to fertiliser and plastics manufacturers, and methanol used by plastic and fibre and wood manufacturers.

Britain already has to import ammonia at steeply rising world market prices. One likely effect of the ammonia shortage is expected to be an early increase in fertiliser prices. ICI and Fisons already have applications before the Prices Commission to raise fertiliser prices because of increases in raw material costs which did not include the recent 200 per cent. rise in phosphate rock prices.

S. AUSTRALIAN WHEAT DOWN

The South Australian Department of Agriculture said yesterday it had reduced its estimate of the wheat harvest to 1.87m. tons, compared with an original estimate of 201m. tons and last season's 598,000 tons. Reuter

COMMODITY MARKET REPORTS AND PRICES

BASE METALS

COPPER—Regained all and more of Monday's lost ground on the London Metal Exchange. After trading at a day's ... [illegible]

TIN—Record levels of £2,412 for forward metal and £2,430 for cash were traded following the continued strength in Penang coupled with sterling's opening weakness. Fresh and chartist buying was noted although less consumer interest was reported. Turnover 665 tons.

[illegible]

COCOA

[illegible]

COFFEE

[illegible]

SILVER

[illegible]

RUBBER

SLIGHTLY STEADIER [illegible]

FREIGHTS

[illegible]

GRAINS

[illegible]

MEAT/VEGETABLES

[illegible]

SUGAR

[illegible]

WOOL FUTURES

[illegible]

JUTE

[illegible]

PRICE CHANGES

Prices per ton unless otherwise stated.

[illegible]

INDICES

FINANCIAL TIMES

REUTER'S

DOW JONES

MOODY'S

[illegible]

U.S. Markets

NEW YORK, Nov. 27.

COCOA OPENED lower in featureless conditions following London. Later prices rallied, helped by improved Wall Street. Copper opened sharply higher following London and later shortcovering ... [illegible]

COMPANY NOTICES

THE CONSOLIDATED DIAMOND MINES OF SOUTH WEST AFRICA LIMITED

(Incorporated in the Republic of South Africa)

DECLARATION OF DIVIDEND NO. 77 ON THE PREFERENCE SHARES

NOTICE IS HEREBY GIVEN that dividend No. 77 of 3¼ per cent. equivalent to 3¼ cents per share in respect of the six months ending 31st December, 1973, has been declared payable to the holders of preference shares registered in the books of the company at the close of business on 28th December, 1973, and to persons presenting coupon No. 77 detached from preference share warrants to bearer. A notice regarding payment of dividends on coupon No. 77 detached from share warrants to bearer, will be published in the Press by the London Secretaries of the company on or about 21st December, 1973.

The preference share TRANSFER REGISTERS and REGISTERS of members will be CLOSED from 29th December, 1973 to 11th January, 1974, both days inclusive, and warrants will be posted from the Johannesburg and United Kingdom offices of the transfer secretaries on or about 31st January, 1974. Registered shareholders paid from the United Kingdom will receive the United Kingdom currency equivalent on 22nd January, 1974 of the rand value of their dividends (less appropriate taxes). Any such shareholders may, however, elect to be paid in South African currency, provided that the request is received at the offices of the company's transfer secretaries in Johannesburg or in the United Kingdom on or before 28th December, 1973.

In terms of the income tax legislation of the Republic of South Africa and of South West Africa, the following taxes will be deducted by the company:—

Republic of South Africa non-resident shareholders' tax at the effective rate of 6.711 per cent.

South West Africa non-resident shareholders' tax at the effective rate of 6.906 per cent.

The dividend is payable subject to conditions which can be inspected at the head office and London office of the company and also at the offices of the company's transfer secretaries in Johannesburg and the United Kingdom.

By Order of the Board.
For and on behalf of
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED.
London Secretaries.
E. BURROWS.

London Office:
40, Holborn Viaduct
EC1P 1AJ.
Office of the United Kingdom Transfer Secretaries:
Charter Consolidated Limited,
Kent House, Station Road,
Ashford, Kent, TN23 1QB.
27th November, 1973.

NORTH ATLANTIC WESTBOUND FREIGHT ASSOCIATION

NOTICE TO SHIPPERS

Container service charges on traffic to the U.S.A.

The undernoted member lines of the North Atlantic Westbound Freight Association wish to advise shippers that, with effect from 1st January, 1974, container service charges will be introduced in the trade from Great Britain, Northern Ireland and Eire to North Atlantic and South Atlantic ports of the U.S.A.

These charges, which will be assessed on the gross weight of the cargo, will be as follows:—

House-to-house and house-to-pier traffic shipped in containers (all sizes) £0.80 per 1,000 kilos, subject to a maximum of £12.00 per container.

American Export Lines Inc.
Atlantic Container Line Ltd.
Atlantic Gulf Service AB
Bristol Channel Line
Combi Line
Dart Containerline Co. Ltd.
Hapag-Lloyd AG
Johnston Warren Lines Ltd.
New England Express Line
Sea-Land Service Inc.
Seatrain International S.A.
United States Lines Inc.

North Atlantic Westbound Freight Association,
74, St. James's Street,
London, SW1A 1PS.
November 1973.

SIMCA 7¾% 1967/82
Loan of $US 15,000,000

We inform bondholders that the nominal amount of $US 1,250,000, subject to amortisation on the 15th December, 1973 has been purchased on the market. Amount outstanding $US 11,250,000.

The Principal Paying Agent,
SOCIETE GENERALE ALSACIENNE DE BANQUE,
Succursale de Luxembourg.

BANK OF MONTREAL
Established 1817

DIVIDEND NO. 460

NOTICE is hereby given that a DIVIDEND of twenty four CENTS per share on the paid up Capital Stock of this Institution has been declared for the current quarter, PAYABLE on and after Saturday, the first of December 1973, to shareholders of record at the close of business on the thirty first of October 1973.

By order of the Board
R. MUIR
Secretary.

Montreal, October 16th, 1973.

ANNUAL GENERAL MEETING

Notice is hereby also given that the ANNUAL GENERAL MEETING of the shareholders will be held at the head office of the Bank, 129 St. James Street West, Montreal, on MONDAY, 10th DECEMBER next.

The chair will be taken at 11 o'clock a.m.

By order of the Board
ROBERT MUIR
Vice-President and Secretary
Montreal, October 16th, 1973.

DE BEERS CONSOLIDATED MINES LIMITED

(Incorporated in the Republic of South Africa)

DECLARATION OF DIVIDEND NO. 128 ON THE PREFERENCE SHARES

NOTICE IS HERBY GIVEN that dividend No. 129 of one rand (R1.00) per share in respect of the six months ending 31st December, 1973, has been declared payable to the holders of preference shares registered in the books of the company at the close of business on 28th December, 1973, and to persons presenting coupon No. 129 detached from preference share warrants to bearer. A notice regarding payment of dividends on coupon No. 129 detached from share warrants to bearer, will be published in the Press by the London Secretaries of the company on or about 21st December, 1973.

The preference share transfer registers and registers of members will be CLOSED from 29th December, 1973 to 11th January, 1974 both days inclusive, and warrants will be posted from the Johannesburg and United Kingdom office of the Transfer Secretaries on or about 31st January, 1974. Registered shareholders paid from the United Kingdom will receive the United Kingdom currency equivalent on 22nd January, 1974 of the rand value of their dividends. (less appropriate taxes). Any such shareholders may, however, elect to be paid in South African currency, provided that the request is received at the offices of the company's transfer secretaries in Johannesburg or in the United Kingdom on or before 28th December, 1973.

The effective rate of non-resident shareholders' tax is 15 per cent.

The dividend is payable subject to conditions which can be inspected at the head office and London office of the company and also at the offices of the company's transfer secretaries in Johannesburg and the United Kingdom.

By Order of the Board.
For and on behalf of
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED.
London Secretaries.
E. Burrows.

London Office:
40, Holborn Viaduct,
EC1P 1AJ.
Office of the United Kingdom Transfer Secretaries:
Charter Consolidated Limited,
Kent House, Station Road,
Ashford, Kent, TN23 1QB.
27th November, 1973

E U R O F I M A
SOCIETE EUROPEENNE POUR LE FINANCEMENT DU MATERIEL FERROVIAIRE

Registered Office:
"Ritterhof," Rittergasse 20
CH-4001 BASLE 1 (Switzerland)

INTERNATIONAL BOND ISSUE 7¾% 1971/1981 of 10,000,000 European Currency Units.

We inform the Bond holders that a drawing for a nominal amount of 1,000,000 European Currency Units was made on the 14th November, 1973 in respect of the amortisation due 15th January, 1974. The numbers of the bonds drawn are as follows:

06209 to 07208

These bonds will be redeemed at par—coupon No. 4 (15th January 1975) and following attached—from 15th January, 1974 onwards. Payment can be claimed free of charge from any of the undermentioned Paying Agents:

—CREDIT COMMERCIAL DE FRANCE, Paris
—DEUTSCHE BANK AKTIENGESELLSCHAFT, Frankfurt
—MORGAN GUARANTY TRUST COMPANY OF NEW YORK, Brussels
—SOCIETE GENERALE DE BANQUE S.A., Brussels
—BANCA NAZIONALE DEL LAVORO, Rome
—CREDIT COMMERCIAL DE FRANCE, Milan
—KREDIETBANK S.A. LUXEMBOURGEOISE, Luxembourg

Amount of bonds remaining in circulation following this first amortisation: 9,000,000 European Currency Units.

CREDIT COMMERCIAL DE FRANCE—Paris
Financial Agent to the company.

SGI INTERNATIONAL HOLDINGS SOCIETE ANONYME

Notice to Holders of Warrants "B" issued with the 6½% Guaranteed Bonds 1980—First and Second Series

NOTICE IS HEREBY GIVEN that, following the recent capital increase of Societa Generale Immobiliare di Lavori di Utilita Pubblica ed Agricola S.p.A., the Banca d'America e d'Italia, has, on behalf of the Warrant "B" Holders exercised the option rights of the Convertible Loan Certificates as well as of the shares held in escrow and has subscribed an additional 1,034,349 shares in respect of the outstanding Warrants "B".

Holders of Warrants "B" on exercising their right at the appropriate dates will receive against payment of US$250:

1. 250 shares of Societa Generale Immobiliare and a cash distribution of Lire 5 per share;
2. 30855.855 shares plus a cash distribution of Lire 10 per each of these 30.855855 shares;
3. 140.919482 shares related to the 1973 capital increase as per above.

S. G. Warburg & Co. Ltd.,
30, Gresham Street,
London, EC2P 2EB.
28th November, 1973.

JARDINE MATHESON WARRANTS

Notice to holders of outstanding warrants to subscribe for stock units of HK$6.00 each of Jardine, Matheson and Co., Limited issued by The Bank of Bermuda as depositary on 15th November 1971.

Notice is hereby given that as from 10th November 1973 and until further notice, the subscription price that will be applied in calculating the number of stock units to be issued to a holder upon exercise of his warrant will be reduced from HK$19.60 to HK$9.80.

By Order of the Board,
K. W. YOUNG, Secretary.

OLYMPIA (REDACRE) LIMITED

NOTICE IS HEREBY GIVEN that the Ordinary Transfer Registers of this Company will be CLOSED from 10th December 1973 to the 3rd January 1974, both dates inclusive.

By Order of the Board,
D. KINDER, Secretary.

WHITBREAD INVESTMENT CO. LTD.

NOTICE IS HEREBY GIVEN that the REGISTER of the ORDINARY SHARES of the above COMPANY will be CLOSED from the 29th November to the 12th December 1973, both days inclusive, for preparation of the Interim Dividend payable on the 11th January, 1974.

W. E. N. BLAKE, Secretary.

Brewery,
Chiswell Street,
London E.C.1.
28th November, 1973.

COMPAGNIE FINANCIERE DE PARIS ET DES PAYS-BAS
(formerly Banque de Paris et des Pays-Bas)

Non-Voting Certificates to Bearer issued by Hill Samuel & Co. Ltd.

NOTICE IS HEREBY GIVEN that a MEETING of the holders of the above Certificates will be held at 100, Wood Street, London, E.C.2, England on the 14th day of December, 1973 at 12 o'clock noon for the purpose of considering and, if thought fit, passing the following Resolution namely:—

RESOLUTION

"THAT this Meeting of the holders of the Non-voting Certificates to Bearer (hereinafter called "the Existing B.D.R.'s") issued by Hill Samuel & Co. Ltd. (formerly M. Samuel & Co. Ltd.) and relating to units of 5 Fr. Fcs. each representing an equivalent nominal amount of fully paid share capital of Compagnie Financiere de Paris et des Pays-Bas (formerly Banque de Paris et des Pays-Bas) HEREBY SANCTIONS (with the assent of Hill Samuel & Co. Ltd.) the exchange with effect from and including 1st January, 1974 of each holding of the Existing B.D.R.'s for a new Certificate or Certificates (hereinafter called "the New B.D.R.'s") comprising in aggregate the same number of such units but issued by S. G. Warburg & Co. Ltd. (in the form of the specimen Certificate produced to the Meeting and for the purposes of identification initialled by the Chairman thereof) and each and every modification release or compromise of or arrangement in respect of the rights of the certificate holders or the provisions contained in the Certificates involved in or resulting from the aforesaid exchange TO THE INTENT THAT

(a) the sanction conferred by this resolution shall be subject to a listing for the New B.D.R.'s being granted by the Council of The Stock Exchange (as and when issued) on or before 31st December 1973;

(b) (subject to (a) above) with effect from 1st January, 1974, the Existing B.D.R.'s shall be cancelled and the Certificates relating thereto cease to have any value save for the purposes of surrender at S. G. Warburg & Co. Ltd. on or after that date to obtain payment of any unclaimed dividends or other distributions and to obtain the issue in exchange of Certificate(s) for the New B.D.R.'s as provided above; and

(c) following such payment and issue in exchange Hill Samuel & Co. Ltd. shall be released and discharged from all further liability in respect of the Existing B.D.R.'s."

Hill Samuel & Co. Ltd. will appoint some person to take the chair at the said Meeting. The quorum will be persons holding certificates representing one-twentieth of all units outstanding and holders of certificates are therefore asked wherever possible to make arrangements to be present themselves or through their representatives. If within half an hour from the time appointed for the Meeting a quorum is not present the Meeting shall stand adjourned to the same day in the next week at the same time and place and no notice shall be given thereof. At an adjourned meeting the certificate holders present shall form a quorum. The resolution will be passed at the Meeting or adjourned meeting if a majority of the votes cast thereat are in favour thereof. Each certificate holder present and entitled to vote at a Meeting shall on a show of hands have one vote and on a poll one vote for every unit comprised in the certificates held by him. In the case of an equality of votes the Chairman shall have a casting vote. On a show of hands the Chairman's declaration as to the resolution having been passed or not passed shall be conclusive. The Chairman or any two persons holding certificates representing one-fiftieth of all units outstanding may demand a poll. Any such poll shall be taken in such manner and at such time as the Chairman may direct.

No person shall be entitled to exercise the rights of a holder of Certificates in relation to the Meeting (or adjourned meeting) unless he produces the Certificate(s) of which he is the holder or a Special Certificate issued by Hill Samuel & Co. Ltd. Any such Special Certificate shall be dated, shall be valid for a period of sixty days, shall state that on the date thereof Certificates bearing specified serial numbers were deposited with or held to the order of Hill Samuel & Co. Ltd. and shall state that the Certificates are so held in an account which shall be blocked until the first to occur of (i) the expiry of the said period of sixty days; (ii) the conclusion of the Meeting or adjourned meeting; or (iii) the surrender of the Special Certificate to Hill Samuel & Co. Ltd. During the validity of any such Special Certificate the holder thereof shall for all purposes in connection with the Meeting or adjourned meeting be deemed to be the holder of the Certificate(s) to which it relates and Hill Samuel & Co. Ltd. or other person with whom such Certificate(s) have been deposited shall nevertheless be deemed for such purposes not to be the holder of those Certificate(s).

Subject to due passing of the above resolution and to fulfilment of paragraph (a) thereof, all holders of the existing Certificates issued by Hill Samuel & Co. Ltd. must on or after 1st January, 1974, lodge those Certificates at the offices of S. G. Warburg & Co. Ltd., 30 Gresham Street, London, EC2P 2EB, to obtain payment of any unclaimed dividends or other distributions and to obtain the issue in exchange of new Certificates issued by S. G. Warburg & Co. Ltd. On and after 1st January, 1974 existing Certificates will be of no value for any other purpose. Special listing forms for use in connection with this exchange can be obtained upon application to S. G. Warburg & Co. Ltd.

The new Certificates to be issued by S. G. Warburg & Co. Ltd. will have marking squares numbered 1 to 40 inclusive on the reverse side. These are for use only by S. G. Warburg & Co. Ltd. as Depositary, and on no account should they be marked by the certificate holders or any other person whatsoever.

A specimen of the new Certificate may be inspected at the offices of Allen & Overy, 9 Cheapside, London, EC2V 6AD, England during usual business hours on weekdays (except Saturdays and public holidays) up to the time of the Meeting and at the place of the Meeting during the hour before the Meeting.

Date 28th November, 1973

By: HILL SAMUEL & CO. LTD.
S. G. WARBURG & CO LTD.

CONTRACTS AND TENDERS

REPUBLIC OF GUYANA
GUYANA ELECTRICITY CORPORATION
GEORGETOWN GUYANA

International Tender #5279-00-631/1
For Procurement Including Delivery, Erection and Commissioning of Frequency Converter Sets and Related Auxiliaries

INVITATION TO TENDER

The Guyana Electricity Corporation has received a loan from the International Bank for Reconstruction and Development towards financing the Power Systems Extension—Stage I and it is intended that part of this loan will be applied to payments under the contract for which this Invitation To Tender is issued.

In accordance with the Loan Agreement, the Guyana Electricity Corporation invites International Tenders for the provision, delivery, erection and commissioning of 3 (three), 10 (ten) MW, 600 (six hundred) r.p.m. Rotary Frequency Converters and Related Auxiliaries and Spare Parts according to the TENDER INSTRUCTIONS, FORM OF TENDER and its ANNEXES that include the Tender Schedules and the Technical Specifications of the Equipment, General Conditions and Form of Contracts.

Tenders will be accepted only from suppliers and contractors (or from their local agents) established in a member country of the International Bank for Reconstruction and Development or in Switzerland.

To obtain a copy, or copies, of the Specifications, the interested firm must forward a letter addressed to the Project Manager, The Shawinigan Engineering International Company Limited, P.O. Box 552, Georgetown, GUYANA, requesting a copy to be airmailed and enclosing the non-refundable sum of G$50 (fifty dollars Guyana or $25 US) for each copy. In addition, this letter should indicate the full address to which additional information or replies to request for clarification may be sent.

The Tenders will be received by the Project Manager, The Shawinigan Engineering International Company Limited, Georgetown, GUYANA, until 12.00 hours (Guyana time) of the 18th day of January, 1974. There will be no postponement for acceptance of the Tenders.

Christmas Gifts

CINEMAS (Cont.)

LEICESTER SQUARE THEATRE 930 5252. Julie Christie, Donald Sutherland DON'T LOOK NOW (X) Cont. Progs. 1.20, 3.20, 5.50, 8.25. Feature 1.25, 3.35, 6.30, 9.05.

ODEON Haymarket. (930 2738/2771.) Oliver Reed, John McEnery, Claudia Cardinale FURY (AA). Cont. Progs. 2.55, 5.30, 8.10. Feature 3.30, 6.05, 8.45.

ODEON, Leicester Square (930 6111.) Eric Porter, Jeremy Kemp, Bill Travers, Rachel Roberts, THE BELSTONE FOX (A). Cont. Progs. 1.15, 3.00, 5.30, 8.10. Feature 1.15, 3.45, 6.20, 9.00.

ODEON, Marble Arch. (723 2011-2) Peter O'Toole, Katharine Hepburn THE LION IN WINTER (A). 70mm D150. Sep. Progs. 3.00, 8.00. Feature 3.10, 8.10. All seats bookable in advance.

ODEON, St. Martins Lane. 836 0691-1811 George Segal, Glenda Jackson A TOUCH OF CLASS (AA). Cont. Progs. 2.00, 3.55, 6.15, 8.30. Feature 2.10, 4.25, 6.40, 9.00.

PARAMOUNT, Lower Regent Street. 839 6494. THE DAY OF THE JACKAL (A). Progs. 2.15, 5.15, 8.15. Sep. perfs. All seats bookable.

PRINCE CHARLES, Leic. Sq. 437 8181. "LAST TANGO IN PARIS" (X) Sep. perfs. dly. (inc. Sun.) 2.45, 6.15, 9.00. Late show Fri. & Sat. 11.45. Box Office Open Daily. All seats bookable.

RIALTO, 437 3488. HONOR THY FATHER (AA) Progs. 1.00, 3.20, 5.50, 8.20.

SCENE 4, Swiss Centre, Leic. Sq. 439 4470 THE CANTERBURY TALES (X). Sep. perfs. daily (inc. Sun.) 12.30, 3.00, 6.15, 9.15, 12.00. Bookable.

STUDIO ONE, Oxford Circus 437 3300. Laurence Olivier, Michael Caine SLEUTH (AA). Progs. 12.45, 4.00, 7.20 (inc. Suns).

STUDIO TWO, Oxford Circus 437 3300. THE FRENCH CONNECTION (X). At 4.15, 9.00. SICILIAN CLAN (A). At 1.15, 6.05.

UNIVERSAL, Lower Regent St. 930 8944. JESUS CHRIST SUPERSTAR (A). Progs. 2.00, 4.15, 6.30, 8.45. Sep. perfs. All seats bookable.

WARNER RENDEZVOUS, Leic. Sq. 439 0791. MALIZIA (X). Progs. 2.10, 4.10, 6.15, 8.20. Late Fri. and Sat. 11 p.m.

WARNER WEST END Leic. Sq. 439 0791 Paul Newman is the MACKINTOSH MAN (AA). Progs. 1.50, 4.00, 6.15, 8.30. Late Fri. and Sat. 11.00 p.m.

LONDON HOUSES AND FLATS

BUILDING LAND AND SITES

COUNTRY AND COASTAL

SALES BY AUCTION

EDUCATIONAL

RESTAURANTS

MOTOR CARS

ARDENS TO-DAY

More on wildness

BY ROBIN LANE FOX

IEN the FT index is about fall my postbag from readers it its lowest; when the index collapsed to its limit my ers are arriving as thickly the petals on a double rose h. There are still some en- opes to be scaled up before City's interest in gardening I have equalled its all-time k, reached in the weeks when ls-Royce went bankrupt.

Not that I am complaining. A c of emergency has turned ugh new hands to the hoe eady, to judge from fresh respondence; peradventure re be ten new gareners in money market, misfortune y yet take pity on us. Per- s, too, these converts will the idea of the wild garden, cussed here recently, well ted to these days of wild certainty.

ilderness

have been planting up a d garden in layers both on er and on the ground; one has been watching a natural ch of wilderness, and I have y come to the layer above the bs and the plants to cover ground. This layer is as d as anything in gardening plant satisfactorily and I can y say what I believe to look ng. A wilderness must never spotted with too many varie- , each exampled in too few nts. It must not be cut up beds or filled with the plants a formal garden, with roses Queen Elizabeth, perennials the rose-red Sedum or the nmer Phlox, with too many ible flowers, dahlias or ysanthemums of any kind.

xclude any plant which can- cover the ground cleared for r which cannot survive among h rampant substitute for ds. Grand books on garden- recommend lilies and the ely Cardiocrinum as bulbs wild woodland. Gardeners on l soil may be able to make s at home in quantity, but y by planting them in recog- ed clearings where they look lovely, but in no sense wild. The Martagon lily, especially in its white form, is to my eye the nearest a lily can come to looking wild and natural in England. Groups of Auratum lilies do look and smell magnificent but they are exactly wrong for what I see as a proper wild garden.

The same goes for Polyanthus. It was Miss Jekyll who first had the idea of massing forms of primrose under hazel-nut trees; the seed of the bunch-flowered yellow varieties which she collected for 40 years is still marketed by Thompson and Morgan, London Road, Ipswich. Like many of her ideas, it was taken up at Sissinghurst Castle where a wonderful carpet of polyanthus of all colours can be admired each spring by courtesy of the National Trust.

Yet the division, weeding and replacement of these polyanthus is a long labour not to be undertaken in a wild garden away from the civilised cover of nut-trees. The mixed polyanthus, especially, would look too formal to be credible, and credibility is the test of a planted wilderness. If primroses will spread naturally in your garden, by all means leave them to thicken into a carpet of their one pale shade of yellow. But do not bed them out deliberately, each in implausible colours.

The wild garden's perennials should surely be close to our own wild flowers. I keep stressing this and in support I ask you to think of the Foxglove, perhaps most handsome when grown from seed of the strawberry-coloured form called Mertonensis. This plant which can be enjoyed in West Country hedgerows looks elegant in any wild setting where its basal clump of leaves is too lowly and too tough to be upset by summer mowing.

Incidentally, growers of foxgloves need never be short of house-plants, for a foxglove can be lifted when in bud, potted up from the open ground and kept quite content until its gloves drop in due season. If you do not fancy the idea of tall foxgloves indoors, try massing them in a hall or passage where they will stand out like a group of spires.

The same development of our native wildness can be followed through the Hellebore, the Cranesbill, the Fumitory, Sweet Woodruff, Comfrey, Wild Iris and the shrubby Snowberry. I can imagine a very plausible wild garden planted solely with forms of these wild flowers.

The Hellebore would be the green-flowered Foetidus, whose thin and glossy leaves are well able to cope with a surrounding carpet of ground-cover. The Cranesbill would make such a carpet woven from selected forms of the meadow-varieties (Geranium Pratense) which seed so freely and underplanted with the large mats and running clumps of forms like Macrorrhizum, Nodosum and Grandiflorum.

Snowberry

The Fumitories would have to be placed in carefully-cleared patches on the edge of the rampant tangle—all forms of fumitory are worth collecting, especially the pale cream flowered Corydalis Ochroleuca, and they soon start seeding themselves. Sweet Woodruff (Asperula Odorata) is small and lowly but will smother a shaded clearing, especially if the earth is damp, a taste shared by the Fumitories which match it neatly. Its white flowers smell of mown hay, tiny though they are, and are too delicious to neglect.

For height and background the many improved forms of our wild Snowberry would be particularly suitable; the hybrid named Symphoricarpos Hancocks grows a mere two feet high and can be massed freely under trees for its winter show of pink-white berries, carried abundantly. The Snowberries lead, however, to the layer of shrubs above this wild carpet, a layer which needs a week's space to itself.

City should retain links outside EEC banker urges

BY MICHAEL BLANDEN

THE NEED for the City to retain its links with countries outside the EEC while at the same time developing within the Community was stressed yesterday by Mr. Sidney Wild, deputy chief executive of National Westminster Bank and chairman of the executive committee of the British Bankers' Association.

British entry to the EEC, he said, offered opportunities to the British banks to extend their operations in Europe, both in the field of normal deposit banking and in corporate finance. In the first area there were difficulties in building up a deposit base in the other member countries, but there was a need for a marketing approach—studying the banking scene in each country and identifying the opportunities.

Corporate finance offered a more promising opportunity to develop new business, though Mr. Wild expressed reservations about the prospect of U.K. banks moving too far in the direction of closer direct involvement with industry itself.

Giving the second Institute of Bankers' Ernest Sykes Memorial Lecture, Mr. Wild added: "Realistically, we must observe the growth of financial centres of international status around the world and the gradual formation of a global network." This would enable bankers to retain a sense of perspective towards Europe. "There can be no protective ring fence round the Community."

Mr. Wild suggested that British bankers should also keep a sense of perspective in facing the problem of the European Commission's approach to a common banking code. "We still have a fight on our hands." But the technical difficulties raised should not be exaggerated. "It is not a new experience for bankers to be faced with the prospect of change, and we know what our standpoint is towards banking harmonisation.

Mr. Wild, who is also the BBA representative on the Board of the Fédération Bancaire in Brussels, explained: "The British Bankers' Association seeks to gain acceptance of the principles of simplicity and flexibility, stage by stage implementation, a measure of self-regulation, areas of discretion and interpretation by national control authorities, and a recognition of the role Community banks play in providing financial services in world markets.

"We also believe it is important that we should not have too many masters, that rules designed to ensure protection of depositors should be capable of serving the twin purpose of ensuring liquidity and compliance with credit policy."

APPOINTMENTS

Mr. P. Robinson joins Board of Tootal

Mr. Peter Robinson

Mr. Peter Robinson, managing director of the British Printing Corporation, has been appointed a non-executive director of TOOTAL.

★

Mr. Stuart Hobbs has been appointed managing director of SMITH'S SECTIONS, a member of the Midland Aluminium Group. He succeeds Mr. Cyril Smith, who is retiring but remains on the Board.

★

Mr. David Probert is to join the main Board of LION INTERNATIONAL as financial director from December 1. Mr. Frank Leach has been appointed secretary from January 1 and Mr. Charles Gregson is to take charge of the group's legal department.

★

Mr. Dennis Wall has been appointed to the Board of ROSEDALE INDUSTRIES as marketing director.

★

Mr. Norman Brazeley has been appointed to the Board of G. P. TURNER AND CO.

★

Mr. P. D. Liddiard has joined the Board of AIRCRAFT FURNISHING as chairman and Mr. E. R. Bulmer and Mr. W. A. Hastie have become directors. The company is a subsidiary of Warwick Engineering Investments.

★

Mr. M. J. H. Hammond has been appointed a director of UNITED MOLASSES COMPANY, a subsidiary of Tate and Lyle, and will be responsible for corporate planning and systems development. Mr. P. Day has become company secretary.

★

Mr. Neil McKinnon is to retire as chairman of the CANADIAN IMPERIAL BANK OF COMMERCE on December 11.

★

Mr. Alan Dickinson has been appointed sales director of BALDING AND MANSELL (Bemrose Corporation). He replaces Mr. Tony Gardner, who has relinquished the post for personal reasons and has now become London manager for Balding and Mansell.

★

Mr. S. C. Gibbs is to become chairman of CHARLES BARKER SCOTLAND in succession to Mr. C. K. Simond, who retires from that Board but remains chairman of Charles Barker and Sons. Mr. A. P. Rait is to become chief executive and managing director of Charles Barker Scotland.

★

Mr. J. M. Whitworth has been appointed managing director of TILGHMAN WHEELABRATOR. He was formerly managing director of Dawson and Barfos Manufacturing.

★

Mr. K. H. Gamble has been appointed managing director of SCHRADER FLUID POWER, a division of the Scovill Manufacturing Group, U.S.

★

Mr. J. D. Oakley, who was appointed to the Board of EDGAR ALLEN AND CO as a non-executive director last March, is to become non-executive chairman from January 1. He will succeed Mr. F. A. Ross, who retires as non-executive chairman at the end of this year. Mr. J. D. Spicer, a non-executive director, is to resign at his own request on December 31.

★

Mr. M. P. Rathbone has been elected a director and appointed chairman and chief executive of BKL ALLOYS (GKN Group) and chairman of its subsidiaries, following the recent death of Mr. F. T. Tyler.

★

The Birmingham region of MIDLAND BANK is to be divided into two from January 1 and will be known as the Birmingham region and the West Midlands region. Mr. Joseph Stott will con- continue as regional director of the Birmingham region and Mr. Raymond Griffin has been appointed regional director of the new West Midlands region.

★

Mr. A. G. Smith and Mr. J. S. Brabants have been appointed directors of PERCY BILTON. Mr. Godfrey Bilton has resigned from the Board.

★

Mr. J. G. Griffiths and Mr. M. G. T. Francis have been appointed joint-managing directors of CMG (City of London) a new subsidiary of CMG (Computer Management Group).

★

Mr. Alan L. Baker, an American, will become managing director of CASSELL AND COLLIER MACMILLAN in the U.K. on January 1.

★

Mr. D. G. Banks has been appointed a director of CONSTRUCTORS JOHN BROWN from December 3.

★

ALLIED BREWERIES has made the following appointments from December 3.

Mr. J. R. N. Thompson will be appointed to the newly created post of commercial director, Allied Breweries (U.K.) and will become a director of that company. Mr. H. F. Campbell is to be managing director, Joshua Tetley and Son (East sub-Region) in succession to Mr. Thompson. Mr. T. R. Carfoot will be commercial director, Joshua Tetley, in place of Mr. Campbell.

★

Mr. J. A. P. Wuidart has been appointed chairman of J. WUIDART AND CO in succession to his late brother Mr. R. Wuidart.

BUSINESS OPPORTUNITIES

The Royal Academy could be forced to sell the Michelangelo Tondo unless it finds funds elsewhere, reports **Michael Thompson-Noel**

The rising cost of "doing a Titian"

BEHIND THE locked doors of a blue and gold room at Burlington House rests the Royal Academy's most valuable treasure, the Michelangelo Tondo. It is a circular marble relief of the Madonna and Child with the infant John the Baptist and can be seen only by appointment. Carved in Florence in 1504-05, immediately after *Michelangelo's statue* of David, the Tondo was bought in the early 19th century by Sir George Beaumont, the collector, and presented to the RA on his death in 1827. Its value—it is Britain's only Michelangelo sculpture—is put at £5m.-£10m. It may one day be for sale.

Rich *in assets but short* of income, the Royal Academy needs money and the sale of the Tondo, though it sounds far-fetched, is confirmed as at least a "possibility."

Serpentine

The Academy's plight, together with the whole question of the sale and export vulnerability of major works of art, has just been raised in a policy document, A Practical Arts Policy, compiled by Andrew Faulds, the Labour Party spokesman on the arts. The Faulds' report, which also proposes a statutory local rates levy to yield an arts fund of £50m. annually which would be matched by a similar-sized grant from the Government, will have to survive a serpentine tour of committees before possibly emerging, reshaped, as official Labour policy.

"There are perhaps two dozen masterpieces of artistic importance which will pose problems and require funding when they come on the market, as they will." it states. "The Reviewing Committee (on the Export of Works of Art) should have a capital fund for the purchase of these treasures as recommended by the Trustees of the National Gallery and by the *Reviewing Committee* itself."

Of these "two dozen masterpieces," only the Tondo is named. "The reason is obvious," says Mr. Faulds. "Name them and their value will rocket. But I can say that most of them are paintings." Whether any government would dare allow the export of the Tondo is doubtful. "It is a magnificent object," said one expert this week. "No government would risk the political outcry of allowing it to go."

Safe from export? Probably. But safe from sale? The Royal Academy's annual deficit is now thought to average £50,000. It is an entirely private body which does not publish its accounts, but it has been estimated that the Academy, founded in 1768, now needs around £3m., the interest from which would allow it to renovate its palatial home, Old Burlington House, and keep the place in order.

The Academy's main function has been to provide schools for artists and facilities for the display and sale of their work. The annual Summer Exhibition turns over £100,000-plus in sales, although the Academy does not even charge a nominal commission.

Mr. Sidney Hutchison, secretary and chief executive, says the Academy's income is derived from two main sources: investments and exhibitions. In fact, many of the exhibitions do not pay their way, although the current show of Chinese Treasures (which is sponsored) is doing handsomely. The Academy's investment income is derived from the profits of exhibitions in the 18th and 19th centuries, which were salted away, and from the invested proceeds of the sale in 1962 of its Leonardo cartoon of the Holy Family.

Lord Perth (left), chairman of the Export Reviewing Committee, which vets the proposed sale of art treasures abroad, and Mr. Andrew Faulds (right), the Labour Party spokesman on the arts, who has called for an annual arts fund of £100m.

The RA was established by George III, who paid for its deficits from the privy purse during its first 12 years, 1768-1780. From then until the second world war it largely paid its way but the war, says Mr. Hutchison, "*knocked* us for six."

Apart from the Tondo, the Academy's considerable assets include at least 400 other major works and a large library. "We are rich in possessions but we haven't got the ready cash to pay our way," he says, adding that the Tondo's sale "could well be a possibility at some future stage, although it is no more than that."

Mr. Faulds' call for a national fund to purchase major works as a State investment is unlikely to be implemented. Instead, says Lord Perth, chairman of the Export Reviewing Committee, considerable efforts should be made to support the work of the National Art-Collections Fund, the prinicpal fund-raising body in the field.

It was the Art-Collections Fund which chipped in £100,000 towards buying Titian's *Death of Actaeon* for the National Gallery last year. The painting was sold at Christie's in June, 1971 to Mr. Julius Weitzner who almost immediately re-sold it to Mr. J. Paul Getty for his museums at Malibu Beach. The value stated on the export licence form was £1,763,000 but the Titian's export was blocked by the Reviewing Committee and the painting "saved" for the National Gallery by what the Committee described as "an exceptional *tour de force*" of public and private fund-raising.

Government

The National Gallery itself gave £1m., of which £600,000 was an advance on its annual purchase grants. The NACF gave £100,000 and the Pilgrim Trust £50,000—sums which were matched by the Government. A further £231,000 was raised publicly through collecting boxes, school plays, coffee mornings and Women's Institute events.

It is the public's ability (and the Government's willingness) to "do a Titian" every time a major work of art is in danger of export that worries some people. The National Gallery itself came close to exhausting its resources over the Titian (although luckily, it has since found the wherewithal to acquire Rousseau's *Tropical Storm With A Tiger*); while the Reviewing Committee stated earlier this year: "The problem of any satisfactory mechanism for the control of pictures of the highest importance and of such astronomical values remains unsolved."

The NACF, in which Lord Perth puts his faith, is a private organisation with around 10,000 members which helps galleries and museums to buy the works they want. In 1972 the Fund made grants totalling £158,418. Its £100,000 for *The Death of Actaeon* was exceptional. For instance it gave £10,000 to the National Gallery of Scotland to buy an Aelbert Cuyp landscape; £4,000 to the Laing Art Gallery, Newcastle, for a Burne-Jones, and £250 to the Doncaster Museum and Art Gallery for a Jacobite goblet.

So far this year the Art-Collections Fund has handed out around £75,000, says Sir Antony Hornby, its chairman. "One has to realise that not all works of art can be saved. At the same time not all stately home owners can survive on their incomes. We anticipate many calls on our help in the next two years."

Deciding what goes and what stays is the job of the Export Reviewing Committee which in 1972, along with the Titian, reviewed eight other cases in which an expert adviser had recommended that permission to export be refused. The criteria recommended by the Waverley Committee as a guide for dealing with such cases are as follows:

"(i) Is the object so closely connected with our history and national life that its departure would be a misfortune?

(ii) Is it of outstanding aesthetic importance?

(iii) Is it of outstanding significance for the study of some particular branch of art, learning or history?"

Quality

In the case of the Titian the director of the National Gallery argued that its value lay in the quality of the painting and in its importance *for the study of* Titian's later mythological works. The J. Paul Getty Museum, pointing out that there were plenty of other Titians in Britain, did not dispute the painting's importance but remarked that its purchase and export would merely repeat the *process which* had brought it to the U.K. in the first place.

The Committee decided that the Titian was of the "highest degree of national importance." On the other hand it permitted the export of *The Coronation of the Virgin* by Annibale Carracci, mainly because three of the five Carraccis already in the National Gallery belonged to the *same* five-year period in the artist's life, while, in contrast, there were only two attributable Carraccis in the whole of North *America*. The Committee allowed the export of four other works, but said "No" to the loss of a manuscript copy of Sheridan's *The School for Scandal* and "No," again, to the export of an early Louis XV kingwood bureau-plat by Riesenburgh.

Over and above the work of the Reviewing Committee and the NACF there are generous Government allowances through which works of art can be accepted in lieu of estate duty. In addition, gifts and bequests to the NACF are exempted up to an unlimited amount from estate duty and capital gains tax—a concession, says Sir Antony Hornby, which directly led to the anonymous donation of £300,000 to the Fund in June.

The crux of the estate d... scheme is that the nat... acquires art treasures *bargain prices* while an es... may save substantially capital gains tax and est... duty liabilities.

One of the items acqui... for the nation since ... scheme's criteria were adju... 17 months ago was a Chin... Chippendale cabinet from ... estate of Mr. C. J. F. Beausi... The "negotiated" mar... value of the cabinet was fi... at £13,000, of which £1,000 ... reckoned to be a capital ga... A Treasury reduction of 25 ... cent. of the estate's tax liabil... on the cabinet produced a "... value" of £7,600—a sum ... *which the estate received* credit note and the sum ... which the nation thus acqui... the cabinet.

On the open market ... cabinet would have had ... realise around £20,000 for ... Beausire's estate to h... received a benefit, after ... *tax payments, equivalent* £7,600.

Bargain

Under the same scheme ... nation has also acquired o... the past 17 months a Monet, Murillo and a Renoir at "... costs" to the tax revenue ... £39,000, £35,000 and £2... respectively, which makes th... very cheap.

Not everyone agrees on ... *need* to save art treasures fr... export. "This country alre... has the world's finest store ... art works," said one expert ... week, "the vast bulk of wh... morally, don't belong here." ... does everyone agree that, in ... specific case of the Titian, ... money was well spent. In c... versations with the art worl... have heard its quality critic... its condition slandered, its ... portance denigrated and ... price ridiculed. (Personally ... beginning to like it.)

The fact remains that ... like *The Death of Actaeon* ... Velasquez's portrait of Juan ... Pareza (which was in ... "lost") will come up for s... And so long as the inflation ... prices continues, the cost ... "doing a Titian" will mount.

Explaining the work of Price Commission

By Elinor Goodman

THE Price Commission is spending £100,000 on explaining its work to the public. The campaign, the second the Commission has run since it was established in April, began two weeks ago and will run until December 16th.

Full page advertisements have been booked in the tabloid national newspapers and similar sized advertisements will appear on all the other national papers. A further 30 advertisements will appear in the provincial Press *as the campaign goes into its* final stage aimed at explaining the Commission powers to the consumer.

The campaign is made up of three stages. The first two stages, aimed at the distributive trades and large manufacturers, were designed to emphasise the new powers of the Commission under Phase Three.

The final series of advertisements, some of which appeared in papers earlier this week, try to answer questions from the public about the Commission's work. They make it clear that the Commission cannot be blamed for individual price changes in the shops.

The Commission ran a rather less expensive advertising campaign soon after the beginning of Phase Two. The advertisements, the Commission said yesterday, resulted in a further 300 companies being identified as Category Two companies and thus liable to supply the Commission with profit margin data. The idea of the present campaign, the Commission said was to "sort out some of the misconceptions about the Commission's work and to point out companies' obligations under Phase Three."

ISSUED BY HM GOVERNMENT

MOTOR FUEL
Issue of Coupons

The Government has not yet taken any decision about the introduction of motor fuel rationing. As a precaution, however, coupons will be issued, starting this Thursday 29 November.

The system is planned to ensure a fair allocation, with priority for industry and essential services. A basic ration which is intended to cover essential travel (e.g. home to work) is provided for all but a few (specialised) vehicles and an additional ration for vehicles essential to businesses and professions. Only severe hardship would qualify for supplementary allowances.

Special arrangements exist for buses and heavy goods vehicles. Otherwise all coupons will be available at post offices.

To ease the load on staff, the Post Office will start with the issue of all Basic Ration coupons and will NOT accept requests by post. Applicants, who may send a representative, will be expected on the date allocated to the initial letter of their surname.

How to get the coupons

Basic Ration

Vehicles licensed PRIVATE, MOTOR CYCLE, DISABLED DRIVER, HACKNEY and GOODS/HAULAGE (30 cwt. unladen and under).

Where: ALL post offices.

With: ONLY the REGISTRATION DOCUMENT (LOGBOOK) and the VEHICLE LICENCE (TAX DISC).

When: On the date allocated to the initial letter of the surname. **(You are expected at any post office on this date only.)**

Initial	AB	C	DE	FG	H	IJKL	M	NOP	QR	S	TUV	WXYZ
Date	Thurs Nov 29	Fri Nov 30	Sat Dec 1	Mon Dec 3	Tues Dec 4	Wed Dec 5	Thurs Dec 6	Fri Dec 7	Sat Dec 8	Mon Dec 10	Tues Dec 11	Wed Dec 12

During this period organisations with more than five vehicles should contact their Head Postmaster for special arrangements to obtain the Basic Ration coupons.

Business Ration – Vital and Priority Drivers

The following may, if necessary, claim a BUSINESS RATION in addition to the Basic Ration:

- General medical practitioners
- Veterinary surgeons
- Home nurses
- Midwives
- Ministers of religion
- Undertakers
- Probation officers
- Full-time officials of private social service and welfare organisations (e.g. Red Cross)
- Disabled persons who in the course of their work use:
  - a. a DHSS vehicle
  - b. a vehicle for which a DHSS grant or maintenance allowance is payable
  - c. a vehicle exempt from excise duty

Where: ALL post offices (Form VP1 available).

With: The REGISTRATION DOCUMENT (LOGBOOK) and a completed Form VP1 (employers must endorse). This Form will be handed back for use in any supplementary application.

When: Any weekday during the two weeks beginning this Thursday 29 November.

Business Ration – General

No Business Ration will be issued solely for travel to and from work.

If the Basic Ration is insufficient for essential journeys for business purposes, and if these journeys cannot reasonably be made by public or other transport, a BUSINESS RATION may be claimed in addition (Form B1 or AG1). A few specialised vehicles qualify for the Business Ration (Form B2) but not for the Basic Ration.

Where: MAIN post offices (forms available).

With: The REGISTRATION DOCUMENT (LOGBOOK) and a completed application form (employers must endorse) for each vehicle as shown below. Forms will be handed back for use in any supplementary application.

Vehicles licensed	
PRIVATE or HACKNEY or GOODS/HAULAGE (30 cwt. unladen and under)	Form B1 (or Form AG1 if engaged in agriculture or horticulture)
MOBILE CRANES or DIGGING MACHINES or WORKS TRUCKS, etc. and REGISTERED VEHICLES EXEMPT FROM EXCISE DUTY (EXCEPT invalid vehicles)	Form B2

When: On any weekday during the three weeks beginning Thursday 13 December.

During this period organisations with more than five vehicles should complete the forms and then contact their Head Postmaster to make arrangements to obtain their Business Ration coupons.

Buses and Goods/Haulage Vehicles over 30 cwt. (O-Licence)

Buses

Coupons for public service vehicles and private buses over 20 seats will be issued by Traffic Area Offices (in Northern Ireland—the Petroleum Office, Belfast). An explanatory leaflet and application form will be sent to licensed operators, and is obtainable by private bus owners on request to the nearest Traffic Area Office (addresses listed in main post offices).

O-Licences (over 30 cwt.)

Basic Ration coupons will be issued at MAIN post offices (Form GVOL) during two weeks beginning Thursday 29 November. A leaflet giving details is obtainable at main post offices.

Foreign Registered Vehicles

Users should contact Automobile Association or Royal Automobile Club offices if rationing is introduced.

Supplementary Allowances (only if rationing is introduced)

For categories (a) to (c) below, the Supplementary Allowance is the only ration which can be claimed. Otherwise a Supplementary Allowance will be granted, in addition to the Basic, or Basic and Business Rations, only in cases of severe hardship. Unsuccessful applicants may appeal to their Regional Petroleum Office.

Category	Form(s) required	Form(s) available	Return completed Form(s) to:
(a) Holders of trade plates (b) Non-registered vehicles (c) Machinery (d) Motor cycles (e) Home-to-work travel by employees (claim by employers)	B3	(If rationing is introduced) At MAIN *post* offices (for nearest address, see notice at ALL post offices)	By post to: the Regional Petroleum Office for your area (address displayed in the local post office)
(f) Private *motorist*	H		
(g) Business users (*not* agricultural or horticultural)	B3 *and* *B1 *and/or* *B2		
(h) Business users (agricultural or horticultural)	AG2 *and* *AG1		
(i) *Vital and priority* drivers	VP2 *and* *VP1		
(j) Owners of London licensed taxi cabs	B3 (PCO) *and* *B1	The Public Carriage Office 15 Penton Street LONDON N1.	

*These forms will already have been completed by applicants for a Business Ration and handed back with the coupons.

How to use the coupons if rationing is introduced

Basic Ration coupons are issued in books according to the vehicle engine capacity or unladen weight. The Business Ration coupons are issued in sheets. Vehicle Registration Documents (Logbooks) will be stamped by the post office to record each issue of coupons.

The Vehicle Registration Number must be entered on all coupons before they are exchanged for fuel, and also on the cover of ration books. Coupons are then valid only for that vehicle and must not be detached before use. Months are numbered on the coupons, which also have code letters and figures to show what they are worth. If rationing is introduced their value will be announced.

For all rations the first issue of coupons will cover six months. In the first month, coupons for the next two months can also be used. After the first month, coupons for the current month, the previous month and the following month may be used.

If rationing is introduced **IT WILL BE AN OFFENCE FOR ANY PERSON** (a) to supply motor fuel unless he is in business as a supplier, (b) to acquire motor fuel other than from someone in business as a supplier, (c) to supply or acquire motor fuel other than against the surrender of coupons.

YOU HAVE A DATE with the Post Office

CUT OUT THIS PAGE AND KEEP IT

Issued by The Department of Trade and Industry (Tel: 01-828 1200)

WALL STREET + OVERSEAS MARKETS + FOREIGN EXCHANGES

Bargain hunting fails to stem fall

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Nov. 27.

BARGAIN HUNTING and technical factors enabled Wall Street to get off on a firm note to-day but the rally was brief when the list failed to attract much follow-through support.

After regaining 4.14 to 829.09, the Dow Jones Industrial Average retreated to 817.73, for a net loss of 7.22. The NYSE All Common Index further declined 49 cents to $51.02, while losses outpaced volume decreased 180,000 shares to 19.65m.

Analysts continued to attribute heavy selling to fears of severe effects on the U.S. economy by the energy crisis.

In the economic news, President Nixon indicated he didn't expect any relaxation of the Arab oil embargo until there was progress in the Middle East peace talks. Israel and Egypt were reported still deadlocked in the talks.

Mobil Oil fell $2½ to $48—it is "mothballing" its 47,000 barrel-a-day refinery in East Chicago, due to recent adverse developments in the Middle East.

California Standard lost $2⅛ to $55½, Texaco $1⅛ to $25⅞ and Exxon $⅞ to $86½.

Burroughs dropped $12¼ to $221, Polaroid were down $3½ at $83, Xerox $3 at $128, Texas Instruments $⅞ to $114¼ and IBM $2½ to $263½.

General Motors, the most active stock, shed $½ to $49½, and Chrysler $⅛ to $17⅞. But American Motors picked up $⅞ to $8⅞ on a 22 per cent. increase in mid-November car sales.

Steels scored small gains.

UAL eased $⅛ to $21⅞—United Airlines, the subsidiary of UAL, said it will cut 100 daily flights from its schedule beginning January 7 as a fuel-saving measure. It also said it will immediately begin laying off 300 pilots and 650 flight attendants.

Jonathan Logan was one of the most actively traded issues, declined $⅞ to $19½.

Owens-Illinois fell $3½ to $29⅛—it proposed to acquire 1,333,333 of its own Common shares in exchange for 1.2m. shares of Owens-Corning Fiberglass, up $1¼ to $46.

CI Mortgage Group gave way $1⅛ *to $13½ on lower October quarter net earnings.*

Baxter Laboratories dropped $2¼ to $47½, Standard Brand Paints $2¼ to $33½, Sears, Roebuck $2½ to $81½ and Du Pont $1 to $156.

McDonald's recovered $2¼ to $49⅞. F. W. Woolworth added $⅛ at $18⅞ on higher third quarter *earnings.*

Gold Minings continued to improve). American South African advanced $2⅞ to $53½, Dome Mines $5 to $112, Homestake Mining $1⅞ to $48½ xd and Campbell Redlake $4⅞ to $65.

The American SE Market Value Index dipped 0.07 to 92.70, while declining issues outpaced advances by 671 to 242. Volume declined to 3.49m. shares from 3.698m.

Houston Oil and Minerals, the most active issue, rallied $1 to $30⅞, on a volume of 60,800 shares.

Syntex were off $⅞ to $115 and Champion Home Builders shed $⅞ to $3½. Buttes Gas and Oil gained $⅞ to $30⅞.

Bowmar Instrument fell $1½ to $21 on competition in the pocket calculator field.

OTHER MARKETS

Canada again lower

Canadian Stock Markets were again sharply lower in active trading yesterday morning.

The Industrial Index was off 1.34 at 213.50, Western Oils 1 at 268.08, Golds, however, further improved 2.95 to 303.03.

PARIS—Prices continued to decline, in line with other World Markets, with energy problems again the main depressing factor.

Worst hit were Constructions where the cement industry strike is beginning to curtail activity. In mixed Electricals, however, Thomson-Brandt, Cit-Alcatel, and Le Materiel Telephonique each firmed. Cie Francaise de Petroles rose Frs.4 to Frs.200.

The decline in Foreign issues was less marked than for Domestic stocks, with Golds mixed and Dutch issues generally steady.

BRUSSELS—Lower levels in fairly active trading, with all sectors sharing in the decline.

In easier Steels, Cockerill dropped Frs.68 to Frs.1,040, while UCB fell Frs.375 to Frs.2,500 in lower Chemicals.

Petrofina lost Frs.190 to Frs.7,230.

Golds were steady but other Foreign stocks eased.

AMSTERDAM—Further losses were led by Hoogovens, off Fls.4.1 at Fls.53.5, KLM, Fls.2 at Fls.60, and AKZO, Fls.2.9 at Fls.47.8, in Dutch Internationals.

Declines in Local issues were more pronounced than Monday, led by Bergoss, Holland-Amerikalijn, Van Gelder, RSV and VMF.

Isolated issues including Knsm, Lucas Bols and Oce rallied.

GERMANY—Markets resumed their downward trend, but at a slower pace. Some scattered gains were posted, but losses predominated in unsettled and nervous trading.

Siemens shed DM4.10 to DM200 and AEG eased DM0.9 to DM96.5. Chemicals lost up to DM1.50, while major Banks were mixed. In Motors, BMW gained DM1 to DM165 but Daimler dipped DM2 to DM258. Stores were steady to lower. Mannesmann fell DM4 to DM145 in Steels.

In the Bond Market, Mark Foreign Loans fell sharply, while Public issues eased slightly.

SWITZERLAND—Markets were irregular, with an easier bias in fairly heavy Settlement's day trading. Some initial losses were reduced or occasionally reversed.

In otherwise easier major Banks, Bankgesellschaft improved, while Financials and Insurances were mixed. Conti Linoleum firmed. Rueckversicherung Bearer and Registered each continued easier, while Zurich Bearer recouped part of the previous day's sharp loss. Industrials were irregular.

Here declined in Foods but *Nestle Bearer and Registered* each gained slightly. Chemicals were little changed, but Sandoz Registered and Participation Certificates each eased. In Metals and Engineerings, Alusuisse were resistant. Stores were mixed.

In the Foreign sector, Dollar stocks drifted lower over a broad front in active turnover. YS Gypsum traded for the first time at SwFrs.57¼.

OSLO—Banks were barely steady, Insurances quiet, while Industrials and Shippings were easy.

VIENNA—Weaker trend. Only a few issues such as Felten, some Breweries and Banks moved against the general trend.

Copenhagen—Generally lower in very active dealings.

MILAN—Market continued lower over a wide front in fairly active trading.

Bonds also eased.

TOKYO. Market fell to a new low for the year, following the overnight declines on Wall Street and other *Overseas Stock Markets.* Volume 260m. (370m.) shares.

Overseas investors sold an estimated 10m. shares, including many Blue-Chip issues. This led Japanese investors to liquidate some of their holdings as a precautionary measure.

Sony fell Y220 to 3,580. Matsushita Electric Industrial Y30 to 450, Alps Y23 to 576 and Pioneer Y30 to 851.

Tokio Marine and Fire Insurance lost Y27 to 420.

Teikoku Oil dropped Y17 to 573, Mitsui Metal Y11 to 212, Nippon Mining Y11 to 265, and Dowa Mining Y10 to 205.

Oil Refineries lost ground following reports that the Fair Trade Commission had raided their offices on suspicion of arranging price cartels.

JOHANNESBURG—Gold shares were steady to firm, following some London buying: "smaller" and "medium" priced issues were 5 to 10 cents higher.

Platinums were lower. In Coppers, Messina, declined 20 cents to R490. Murchison fell 35 cents to R595, while Diamonds eased.

Industrials were easier.

AUSTRALIA—Prices fell across the Board, with Industrials the hardest hit and falls outnumbered rises by about seven-to-one. Falls predominated among Minings by about three-to-one. But there were signs of a pause in the slide by the end of the day.

Among Minings, CRA dropped 14 cents to $A2.32, Bougainville lost 7 cents to $A1.74 and Western Mining sank 8 cents to $A1.25—its lowest for the year.

BH South came back 5 cents to $A2.22 and NBHC lost 10 cents to $A3.30.

Poseidon fell 40 cents to $A4.50.

But Emperor Mines moved up 10 cents to $A1.90 and GM Kalgoorlie put on 2 cents to 80 cents.

Queensland Mines rose 10 cents to $A1.90.

In Oils, Woodside-Burmah dipped 7 cents to $A1.23, Santos sank 9 cents to $A1.01 and Magellan lost 3 cents to 88 cents.

BHP shed 5 cents to $A7.02.

Herald were 10 cents down at $A3.25.

Bank of New South Wales were 10 cents lower at $A7.40, after touching $A7.30, ANZ fell 20 cents to $A6 and Adelaide were 10 cents down at $A2.55. National dropped 7 cents to $A3.05 and Commercial were 7 cents off at $A3.03.

Myer dropped 8 cents to $A...

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport	Indus *	Util. Φ	Trading volume* 000's
Nov. 27	72.98	168.91	817.73	89.28	19,650
26	73.04	169.72	824.95	89.63	19,830
23	72.90	172.90	854.00	91.15	11,470
21	72.95	171.19	854.98	90.81	24,260
20	72.96	167.60	844.90	90.01	23,960
19	72.90	171.50	862.66	91.55	16,700
16	72.80	175.68	891.35	93.27	22,610
15	72.87	174.25	874.56	92.89	24,530
14	72.88	174.25	859.88	92.44	22,710
13	73.05	179.09	891.03	93.91	20,510
12	73.03	181.37	897.65	94.64	19,250
9	73.08	185.39	908.41	96.11	17,320
8	72.96	188.13	932.65	96.47	19,650
7	72.94	180.23	920.08	97.20	16,570
6	72.93	173.71	913.02	96.95	18,460
1973 High	76.34 (18/1)	228.10 (3/1)	1051.70 (11/1)	120.72 (2/1)	—
Low	71.34 (15/8)	161.97 (22/8)	817.73 (27/11)	89.28 (27/11)	—

* All-time high 1051.70 (11/1/73).
‡ All-time high 279.88 (7/2/69).
Φ All-time high 163.32 (20/4/65).
† Excluding bonds.

IND. DIVIDEND YIELD p.c.

Nov. 23	Nov. 16	Nov. 17 1972
4.09	3.90	3.17

N.Y. SE ALL COMMON INDEX

December 31, 1965=50.

1973 High	1973 Low	Tues.	Mon.	Fri.	Wed.	Tues.
65.48 (11/1)	51.02 (26/11)	51.02	51.51	53.09	53.20	52.80

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,821	453	1,079	289

	Tues.	Mon.	Fri.	Wed.	Tues.
New Highs	5	2	2	2	1
" Lows	481	452	118	278	409

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

	1973 High	1973 Low	Tues.	Mon.	Fri.	Wed.	Tues.
	109.52 (3/10)	92.70 (27/11)	92.70	93.67	96.49	96.90	95.59
Volume * (000's)			3,460	3,698	2,041	3,840	4,232

STANDARD AND POORS U.S. STOCK INDICES

	*Ind. Ord.	†Composite
Nov. 27	107.40	95.70
26	108.47	96.58
23	111.69	99.44
21	112.14	99.76
20	110.57	95.66
19	113.13	100.71
16	116.86	103.88
15	115.13	102.43
14	115.16	102.48
1973 High	134.00 (5/1)	120.17 (5/1)
1973 Low	107.40 (27/11)	95.70 (27/11)

* 425 Industrials. † 425 Industrials, 50 Utilities, 25 Rails.

STOCK AND BOND YIELDS

	Nov. 23	Nov. 15	Nov. 20
Ind. Ord. yield pc	3.11	3.02	2.49
Ind. Ord. p/e ratio	13.53	13.90	20.50
Long-term Govt. Bds. pc	6.91	6.91	6.36

TUESDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
General Motors	291,500	49½	−½
Texaco	201,400	23⅞	−1⅛
Brit. Petroleum	183,800	14½	+½
American Motors	159,300	8⅞	+⅞
Owens-Illinois	150,000	29⅛	−3½
Gulf Oil	148,100	20⅞	−⅞
Jonathan Logan	146,900	19½	−⅞
McDonald's	133,200	49⅞	+2¼
RCA	129,600	18⅞	−⅛
Matsushita Elec.	123,100	13½	−⅛

TORONTO

INDUSTRIAL INDEX

Nov. 27	Nov. 26	1973 High	1973 Low
212.84	214.84	237.96 (20/10)	202.48 (22/3)

MONTREAL

INDUSTRIAL INDEX

Nov. 27	Nov. 26	1973 High	1973 Low
239.22	241.36	271.21 (1/11)	206.85 (22/5)

COMBINED INDEX

Nov. 27	Nov. 26	1973 High	1973 Low
221.12	223.67	249.10 (1/11)	206.83 (28/8)

JOHANNESBURG

	Nov. 26	Nov. 23	High	Low
Industrials	236.4	239.9	292.1 (10/7)	236.4 (26/11)
Gold	178.4	177.5	237.7 (6/1)	178.4 (26/11)

(1958=100.) Source: Rand Daily Mail.

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	Nov. 23	Nov. 15	Nov 9
On Dividends	5.57	5.41	5.5
On Earnings	9.12	8.96	8.8

SYDNEY ALL ORD. INDEX

Nov. 27	Nov. 26	High 1973	Low 1973
445.84	455.47	557.28 (19/1)	445.84 27/11

HONG KONG INDEX Φ

Nov. 27	Nov. 26	High 1973	Low 1973
516.77	548.80	1,774.96 (9/3)	401.[illegible] (19/1)

SINGAPORE INDEX§

Nov. 27	Nov. 26	High 1973	Low 1973
297.38	316.51	611.56 (15/2)	289.71 (4/9)

TOKYO NEW SE INDEX†

Base=100 January 4, 1968.

Nov. 27	Nov. 26	Div. %	Yield %
316.94	330.64	11.90	2.27

	High	Low
1973	422.48 (24/1)	316.94 (27/11)

EUROPE

	Nov. 27	Previous	1973 High	1973 Low
Belg'm(m)	120.29	126.03	142.33 (22/6)	120.29 (27/11)
Denm'k(d)	99.10	100.87	128.95 (10/8)	99.10 (27/11)
France(bb)	77.7	78.6	98.9 (4/6)	77.7 (27/11)
Germany*	86.16	86.87	120.71 (25/5)	86.16 (27/11)
Holland(c)	119.6	121.0	171.9 (13/4)	119.6 (27/11)
Italy†	113.58	116.40	147.29 (19/6)	[illegible]
Sweden(p)	346.27	351.89	[illegible]	342.41 (11/1)
Switzer'l c	325.7	332.0	400.1	322.7 27/11

* Herstatt Index Base Dec. 31, 1959. ‡ Base 100 Jan. 2, 1970. ** Swiss Bank Corporation Index base 100 Dec., 1958. (c) Closed. (m) Base 1963. (o) Base 100 1963. (p) Base Dec. 29, 1958. (bb) Paris Bourse Committee, base 100 1961. (d) Base 100 January 1, 1973. † Base 100 Jan. 2, 1973. Φ Hang Seng Bank, base 100 July 31, 1964. § Straits Times Industrial, base 100 1966.

Dollar falls back

The U.S. dollar lost ground against major currencies in general yesterday, against the background of the U.S. payments figures, which showed a surplus well below the highest market forecasts, and in view of the latest developments in the Middle East oil supply question. The pound fluctuated erratically, in active conditions which brought a good turnover. To begin with the pound weakened, to touch $2.3320 or so, and it seemed that some Bank of England support was given. But as the afternoon went on, the pound rose appreciably against the dollar, to touch $2.3515 at one stage, before ending at $2.3565-2.3585, for a net gain of 135 points (or about 0.58 per cent.), in highly volatile conditions. Sterling's trade-weighted average depreciation against ten major currencies (including the dollar) since the Washington Currency Agreement of December, 1971, moved less sharply in the pound's favour over the day, ending at 17.72 per cent., against 17.96 per cent. on Monday.

The dollar lost 355 points against the German mark, to DM2.6085, though less against various currencies. Canadian dollars improved 13 points on balance to reach a level above parity with the U.S., at 99.91½ U.S. cents. German marks were worth up to 30-35 per cent. or so on a short call Euro-currency basis, and Swiss francs continued in strong demand.

Golds was raised $2.25 an ounce on balance in London to $92-93, in good business. The metal opened at the previous $89¾-90¾, but the morning fixing was at $90.80 (£38.853), and the afternoon at $92.00 (£39.207). New sovereigns ended at $27-28, and half at $32-33.

EXCHANGE CROSS-RATES

Nov. 27	Frankfurt	New York	Paris	Brussels	London	Amsterdam	Zurich
Frankfurt	—	2.620-625	58.06 260	6.65 67	6.153-173	95.49 71	82.00-20
N.York	38.44-47	—	22.37-40	2.630-635	2.3525-3545	36.48 52	31.36-39
Paris...(c)	171.45 80	4.5125-75	—	11.405-425	10.65½-66½	163.75-164	140.80-141
Brussels	15.01-05	39.52 57	8.74-78	—	92 50-60	14.32-38½	12.30-35
London	6.152 142	2.3565 85	10.68 69	22.90-93.10	—	6.46½-47½	7.52½-53½
Amst'dm	104.625-675	2.7542 67	61.00 05	6.9725-75	6.4385-4435	—	85.92-97
Zurich	121.80-20	3.206-210	71.08-30	8.10-12	7.51-52	116.46 67	—

U.S.-$ in Montreal 0.9996-98. Canadian $ in New York 1.0000-02. U.S. $ in Milan 604.00. Sterling in Milan 1412.95. (c) Commercial.

EURO-CURRENCY INTEREST RATES*

Nov. 27 1973	Sterling	U.S.Dollar	Canadian dollar	Dutch guilders	W.German mark	Swiss franc
†Short-term	12¼-13¾	9⅛-9⅛	6¼ 6⅛	9¼-9¾	30-35	15-17
7 days' notice	—	10⅛-11⅛	6⅝ 6⅝	9¼-9⅛	20-25	15-17
Month	14¼-14⅛	10⅛-10⅛	9¼-9⅛	9½-9¾	15½-14	10¾-11
Three months	15⅛ 15⅛	10⅝-11⅛	9⅛ 9⅛	10-10¼	11¾-12⅛	10¼-10½
Six-months	15⅛ 15⅝	10¼-10¾	9⅛-9⅛	9⅝-9⅞	10¼-10¾	9⅛-9⅛
One-year	15-15⅝	9½-10	8⅝-8⅝	9¼-9⅛	8⅛-8⅝	8¼ 8½

Euro-French franc rates: two-days' notice 11-11½ per cent.; seven-days' notice 11-11½ per cent.; one-month 11½-12 per cent.; three-month 11½-12½ per cent.; six-month 11½-12 per cent.; and 12-month 11-11½ per cent.

Longer-term Eurodollar rates were as follows: two years 9½-9⅞ per cent.; three years 9½-9⅞ per cent.; four years 9½-9⅞ per cent. and five years 9½-9⅞ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 10 11/16-10⅞ per cent.; three months 11 1/16-10 15/16 per cent.; six months 10 11/16-10 7/16 per cent.; one year 9 15/16-9 11/16 per cent.

* Rates are nominal closing rates.

† Short-term rates are call for sterling, U.S. dollars and Canadian dollars and two days' notice for guilders, marks and Swiss francs.

OVERSEAS SHARE INFORMATION

Investment $ premium based on $2.60 per £1—38½% (38%). Conversion factor 0.7990 (0.7992).

NEW YORK

Stock	Nov. 27	Nov. 26
Acme Markets	22¾	22⅛
Addressograph	11½	11⅛
Adobe	11⅝	11
Aetna Life & Cas.	72¼	73
Control Data	35	34⅞
Copper Range	17⅛	18⅝
Corning Glass	87¾	88⅛
CPC Int'rnation'l	27⅛	26¾
Crane	16⅛	16⅝
Creole Petrol'm	18⅝	19⅝
Crocker Nat. C.P.	22¾	22⅞
Joy Manufactur'g	46¾	[illegible]
Kaiser Alumin'm	18¼	[illegible]
Kaiser Industries	5⅝	[illegible]
Kaiser Steel	13¼	[illegible]
Kay	5⅞	[illegible]
Kennecott	36	[illegible]
Kerr McGee	64¾	[illegible]

GERMANY ♦

Nov. 27	Price Dm	+ or −	Div. %	Yld. %
A.E.G.	96.5	−0.9	10	5.1
Allianz Versich.	468	−4	16	1.7
B.M.W.	165	+1	16	4.1
B.A.S.F.A.G.	118.1	−1.9	16	6.4
Bayer	101	−0.5	14	7.0
Bayer Hypo	277.1	−2.9	20	3.6
Bayer Vereinsbk	278	−3	20	3.6
Commerzbank	160	−1	17	5.3
Conti. Gummi	64	+1	—	—
Daimler	258	−2	18	3.5
Degussa	245.5	−1.5	●17	3.5
Demag	128	−1	●18	6.3
Deutsche Bank	229.3	+1.8	18	4.0
Dresdner	178.5	+1.5	18	6.0

AMSTERDAM

Nov. 27	Price Fls.	+ or −	Div. %	Yld. %
Ahold (Fl.20)	91.2	−2.8	22	4.7
Akzo (Fl.20)	47.8	−2.9	18	7.1
Alg Bk Ned Fl.100	288	−5	18	6 2
AMAS (Fl.10)	49.5	−0.5	—	—
Amro Bank (Fl.20)	64	−0.8	18	5.3
VanBerkels (Fl.20)	165	−5	16	4.7
Bijenkorf (Fl.20)	81	+2	21	5.2
Boka Westm (Fl.10)	78	−2.1	46	5.8
Elsevier (Fl.20)	540	−15	21	0.8
EuroComTst Fl.10	75.6	....	23½	5.1
Gist. Brocade Fl.10	53.2	−0.9	14	2.5
Hambros Gen Fl.50	80	....	9	4.9
Heineken (Fl.25)	225	+2	14	1.6
Hellingman	46	....	14	3.1
Holland Fund	660	−10	15	2.2

AUSTRALIA

Nov 27	Aus $	
Acrow Australia	0.90	+0.05
Adelaide Brighton Cem't 50c	1.45	−0.02
Allied Mnfg. Trdg. Indus $1	2.57	−0.05
Ampol Exploration	0.51	+0.01
Ampol Petroleum	0.62	+0.01
Assoc. Minerals	2 97	−0.05
Assoc. Portland Cement	0.85	−0.05
Assoc. Pulp Paper ($1)	1.45	+0.05
Aust. Con. Industries	2.54	−0.02
A.N.I.	1.20	−0.02
Aust. Oil & Gas	0.11	....
Blue Metal Ind.	1.64	+0.02
Bougainville Copper	1.74	−0.07
Broken Hill Proprietary	7.02	−0.05
Broken Hill South	2.22	−0.05

VIENNA

Nov. 27	Price %	+ or −	Div. %
Creditanstalt	590	....	19
Perlmooser	415	+1	12
Selecta	520	−15	30
Semperit	320	−5	9
Steyr Daimler	165	−5	10
Veit Magnesit	549	....	25

JOHANNESBURG

MINES

Anglo American Cpn.	4.30	[illegible]
Buffelsfontein	15.80	[illegible]
Charter	12.80	[illegible]

STOCK EXCHANGE REPORT

Equities rebound on bear closing but end below best

ndex recovers 12.5 to 376.4—Oils better—Gilts steadier

COUNT DEALING DATES

Option			
rst ...lings	Declara- tions	Last Dealings	Account Day
29	Nov. 8	Nov. 9	Nov. 20
.12	Nov. 22	Nov. 23	Dec. 4
.26	Dec. 6	Dec. 7	Dec. 18

New time " dealings may take place 5 a.m. three business days earlier.

ie extreme sensitivity of the k market after its recent p setback showed through ngly yesterday when leading ties leapt sharply by up to and occasionally more in the e of an hour. Prices subse- ntly receded but ended with spread and substantial gains. e FT 30-share index was down n the 10 a.m. calculation on that Monday's sharp set- on Wall Street and London further to go, but leading es rallied on Bear closing and p.m. the index had recovered how a rise of 4.2 on balance r, optimistic interpretations he Saudi Arabian oil Minis- remarks in Paris about oil lies to Western Europe apted further Bear closing some institutional demand gave prices a fresh strong t. Although subsequent ghts about Ahmed Yamani's arks brought them well below day's best, closing prices left index still as good as 12.5 up 176.4; this compares with a ial calculation on the index tituents' peaks which gave a ing of a rise of no less than at 382.9.

ie volatility of the market was cted in ICI which moved be- n extremes of 210p and 228p re closing 6p up at 220p. Oil es picked up smartly, but again best levels were not : Shell ended 9p to the good 23p, after 229p. In contrast, second-line issues failed to icipate in the rally and fur- widespread losses were shown ie majority of falls over rises T-quoted industrials of 5-to-1.

nds recover

itish Funds began in uncer- fashion but closed on a tly more confident note with gains extending to ⅜ after early losses to ¼. The latest develop- ment in the Saudi Arabian oil situation was the major stimulant, but the market also derived comfort from reports of a pos- sible settlement of the electricity dispute and of Israel taking a softer line in the Middle East. Business was not impressive and bear-closing *was represented in* the day's demand.

Investment currency premium rose to 39 *per cent. in fairly* brisk two-way trading before end ing ¼ higher on balance at 38¼ per cent. Yesterday's USE con- version factor was 0.7990 (0.7992)

Mooloya Investments (formerly Mooloya Estates) returned to the stock market yesterday: the shares opened at 82½p and improved on moderate buying *to close at 105p.* **Ley's Foundries** 25p Ordinary made their market debut by way of an introduction, *opening and closing at 37p.*

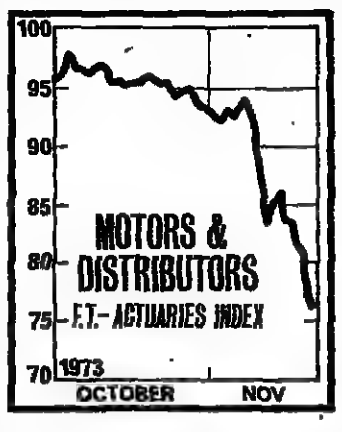
Banks firmer

Easier at the outset, leading Banks rallied in the late trade and, although closing a few pence *below the best, ended with 5p* improvements as in **Barclays** 342p, and **Lloyds**, 272p. Overseas issues also took a turn for the better **Australia and New Zealand** recovered 7p to 355p awaiting the results: the news came well after market hours. In Merchant Banks, **London and County Securities**, at 130p, lost the previous day's gain *of 7½p after news of the Board* resignation of Mr Donald Bardsley.

Insurances rallied. **Commercial Union** closing 5p up at 159p and **Royals** ending similarly higher at 274p, after 266p. **C. E. Heath** hardened 5p to 243p *following the* interim results.

Distillers became an erratic market, easing to 136½p at the outset following adverse Press comment, before rallying well in the afternoon trade to close 4p up on balance at 143p. Breweries revived by the close with **Allied** 2p better at *78p,* after 73½p, and **Scottish and Newcastle** 1½p harder at 78½p, after 75p.

Taylor Woodrow featured Build- ings with a rise of 19p to 250p. Elsewhere, rises of around 7p were seen in **A. P. Cement** 167p, and **Sir L. Parkinson**, 132p. After fall- ing to 76p following the interim figures, **Redland** rallied to close unchanged on the day at 80p. By way of contrast **Whittingham** were active and 8p cheaper at 124p, *while similar losses* were sus- tained by **Westbrick Products**, 48p. **Travis and Arnold**, 104p, and **Brown Jackson**, 48p. *International* Paint were notably dull at 138p, down 12p: Timbers made another poor showing with **International**, 116p, and **Phoenix**, 117p, both 9p easier.



ICI rallied strongly to 226p be- fore ending a net 6p up at 220p **Yorkshire Chemicals**, however, lost 8p to 168p, while reactions of 20p and 25p respectively occurred *in Hoechst, 215p, and* **Akzo**, 925p.

House of Fraser fall

House of Fraser were promin- ently dull in Stores following news that the **Boots** offer is to be re- ferred to the Monopolies Commis- sion. Standing at 129p ahead of the news, Fraser slipped back to close at 116p for a net 12p loss: this compares with the Boots offer of around 165p a share with the latter ending 16p higher at 234p. "Suits," whose substantial hold- ing in Fraser is assented to the bid, closed 10p lower at 150p, after 165p. Elsewhere, **Marks and Spencer** picked up from a 1973 "low" of 231p to finish 6p better on balance at 238p. **"Gussies" "A"** rose 8p to 217p, while **British Home Stores** were also 8p better *at 252p In Shoes, K, a firm market* of late on bid hopes, reacted to 112 before closing 7p easier on balance at 117p.

Although leading Electricals fol- lowed the same erratic course *taken by other top industrials,* the fluctuations were not quite so pronounced. **GEC**, 136p, **Plessey**, 111p, and **EMI**, 147p, all closed 4p higher, after having been between 2p-4p better still at one stage **Philips' Lamp** ended 5p off at 660p, after 640p, on the sharp overnight fall on Wall Street. Second-line issues *remained quiet and little changed.*

Engineers volatile

Engineering leaders made an extremely erratic showing **Hawker Siddeley** reacted further at first to 313p, but rallied swiftly to 342p before closing 13p higher *on the day at 336p. Tube Invest- ments* jumped 19p to 334p, after attaining an after-hours' peak of 344p. ***Metal Box ended with a rise*** of 7p at 256p, while **Vickers** were similarly dearer at 117p, but **GKN** moved up to 244p only to end 2p down on balance at 236p. Second- line issues were generally over- shadowed and often caught up with the previous day's easiness. **Young Austen and Young** fell 10p to 120p, **Lead and Alloys** 7p to 132p and **Record Ridgway** 6p to 40p. Shipbuildings ran into fairly persistent liquidation during the morning and **Swan Hunter** reacted to 113p before a close of 123p, still a net 13p lower *on the day.* ***Hawthorn Leslie*** were unchanged at 93p, after 85p.

Leading Foods attracted a good two-way business late in the day and closed at or near the best. **Cavenham** reacted afresh to 138p following news of the company's $60.8m. loan to finance their offer for **Grand Union** before rallying to close 5p better on balance at 147p. **Spillers** ended 1½p firmer at 44p and **Tate and Lyle** 3p better at 144p. Elsewhere, **J. Sainsbury**, *at 164p, recouped 6p of the pre-* vious day's fall of 9½p and **Hazle- woods** hardened 2p to a 1973 "high" *of 85p. After falling to* 92p on disappointment with interim results, **Geo. Bassett** ral- lied to close at 99p, a net 3p loss. Other dull spots included **Asso- ciated Biscuit**, 6p down at 63p. In Supermarkets, **Tesco** moved up 3p to 53p in front of to-day's interim figures.

Further small selling in front of to-morrow's half-yearly state- ment lowered **J. Lyons "A"** 10p more to a 1973 "low" of 300p, while **Pontin's** fell 3½p to 35½p and **Stanneylands** 4p to 62p.

Reed International closed 11p up at 259p, and **Beecham** 7p bet- ter at 280p, after 284p, while **Bowater** 169p, and **Glaxo**, 398p, after 406p, were both finally 8p firmer. **Turner and Newall** held the day's best of 155p, up 5p, *while* ***British Oxygen*** touched ex- tremes of 45p and 49½p before ending a net 1p harder at 48p **Rank "A"** recorded a net rise of 15p at 355p, after 400p. Else- where, **Valor** improved 4p to 106p and the **Deferred** 7p to 97p in response to the interim profits advance. **Pilkington Brothers** ral- lied 11p to 318p **Johnson Matthey**, however, receded *9p further to* 348p ahead of to-day's interim results

Motors had a mixed appearance. **British Leyland** finished 1½p firmer at 21½p, after 22½p, and **Dunlop** 1p harder at 65p, after 69p **Henlys** closed 12p better at 180p, after 162p, while **Joseph Lucas** regained 4p at 137p *Houchin, however,* came back 6p to 47p and similar losses were sustained by **Godfrey Davis**, 61p, and **British Car Auction**, 78p.

Liverpool Post weakened in Newspapers following overnight business and were quoted 18p lower at 95p. Paper/Printings also had poor features in **Bemrose**, down 9p at 48p, and **McCorquodale**, 10p lower at 280p. **Inveresk**, however, picked up late to close 2½p harder at 50p. Among Advertising Agencies, **Lion Inter- national** were lowered 10p to 128p.

Properties bought

After losing a little more ground at first, leading Properties encountered a good demand during the afternoon and staged a useful rally. However, prices were closing below the day's best after a heavy turnover. **MEPC** *finished 8p up at 187p, after 191p,* while **British Land**, 165p, and **Star**, 143p, both ended 5p better. Else- where, **Country and New Town** closed 3½p firmer at 51½p and **Galliford Estates** 7p up at 157p, after 143p, while **Keith and Henderson** recovered 12p to 125p. **Great Portland Estates** improved 4p to 252p on the half-time state- ment, but lower interim profits left **Property and Reversionary "A"** 7p down at 250p.

Oils rise late

Oils were particularly heady in the late afternoon and "after- hours" trading on the Saudi Arabian pronouncements. What had earlier been a gentle recovery movement became quite fierce and **Shell** swiftly rose to 229p *before reacting to close 9p higher* on the day at 223p. **British Petroleum** reached 556p and ended 6p up on balance at 546p, while **Burmah** regained 13p to 396p, after 403p. **Royal Dutch** were more stable at £16¾, up ⅛, but **Ultramar** touched extremes of 204p and 218p prior to clos- ing a net 6p better at 216p. Else- *where,* ***KCA Drilling*** *met with* small profit-taking ahead of the interim figures, expected this *week, and lost 4p to 90p.* **Walkers (Century Oils)** half-yearly results failed to excite and the result was a 3p fall to 63p.

Trusts and Financials continued to display a number of dull spots. Lower overseas advices left **Jar- dine Securities** 7p down at 100p, while **International Pacific Securi- ties** dropped 10p to 50p as did **Temenggong Securities**, to 80p. **Abercom Investments** lost 14p more to 273p and **Sterling Guaran- tee** receded 11p further to 285p. **Williams Hudson**, however, put on 3½p to 115p, after 120p.

A particularly dull sector of late, Shippings revived smartly late yesterday afternoon in the course of a hectic trade *Rises of* 9p and 12p respectively were seen in **P & O Deferred**, 130p, and ***Furness Withy***, *122p, while* ***"Lofs"*** put on 5p to 73p. **Sheaf Steam** however, shaded 5p to 245p, after *235p, following the lower profits.*

Down to 120½p initially, **Cour- taulds** rallied strongly in the late afternoon trade and touched 130p before closing 3p higher on balance at 126p. *Elsewhere,* ***Sid- law Industries*** met revived buying interest and firmed 5p to 68p, but *the profits forecast and capi-* tal proposals failed to stimulate **John Foster** which fell 7p to 52p. **Tomkinsons** shaded 2p to a 1973 "low" of 122p following the results.

Rothmans International eased 2p to 47½p despite the chairman's confident statement. Other tobac- cos rallied well after a soft start. *Bats closed 6p better at 230p and* **Imps** 3p up at 78½p.

Plantations gave further ground *in quiet trading.* ***Guthrie lost 7p*** more to 333p, after 327p, for a two-day decline of 22p, while ***Castlefield shed 7p to 90p.*** In Teas, **Jokai** shaded 2p to 68p after the results.

Brighter mines

The recovery in the U.K. Indus- trial market following the state- ment by the Saudi Arabian Minister for Oil was extended to Mining issues. *After initial fur-* ther weakness prices were marked up sharply on the news and this *in turn prompted short-covering* and the occasional speculative buyer.

De Beers were down to a year's low of 246p at one stage before recovering to end the day a net *5p to the good at 259p while* **Anglo American** rallied 10p to 275p.

Union Corporation rallied from a 1973 low of 202p to close 6p *up on balance at 218p. Platinum* issues showed little recovery after initial weakness following a down- ward movement in the Cape Pot- gietersrust were finally 11p off at 134p after 132p.

Gold shares opened the day on a steady note following firmer markets in North America over- night and then moved ahead in *line with the free market bullion* price which added $2.50 to $92.50 per ounce. The Index rose 2.3 to 143.3. *Gains of 20p were seen in* **Western Deep** (803p), **Randfon- tein** (700p) and **Durban Deep** (480p).

Scattered small losses were re- corded by Australian issues, the recovery generally failing to erase earlier losses which reflected fur- ther weakness in home markets overnight. In front of to-morrow's vital meeting in Melbourne to vote on the company's liquidation and distribution of **AM and S** and **Bougainville Copper** shares **NBHC Holdings** were 2p off at 250p after 244p while **Bougainville** eased 4p to 131p after 129p.

Apart from Bryan Consolidated which recovered 15p to 310p, Cop- *per shares showed little response* to the rally in the metal price.

Elsewhere, **Consolidated Murchi-** *son continued a poor market* giv- ing up another 30p at 350p while **Silvermines** were steady at 45p *following the sharply higher divi-* dend which had been officially forecast.

FINANCIAL TIMES STOCK INDICES

—	Nov. 27	Nov. 26	Nov. 23	Nov. 22	Nov. 21	Nov. 20	A Year ago
Government Secs.	61.43	61.12	61.63	61.67	61.70	61.90	72.59
Fixed Interest	61.44	61.54	61.88	61.89	61.92	61.94	73.35
Industrial Ordinary	376.4	363.9	378.0	385.5	393.1	394.1	511.6
Gold Mines	145.5	143.0	143.6	145.2	144.3	147.3	83.4
Ord. Div. Yield %	5.02	5.19	5.00	4.92	4.84	4.82	3.20
Earnings Yld %(full)(a)	11.32	11.70	11.27	11.07	10.88	10.85	†5.14
P.E. Ratio (net) (a) (b)	12.09	11.69	12.14	12.36	12.58	12.61	†19.47
Dealings marked	8,277	8,797	8,008	6,960	6,889	6,821	13,542

*10 a.m. 360.4 11 a.m. 363.2 Noon 365.5 1 p.m. 365.7 2 p.m. 365.9 3 p.m. 368.1

Latest index 01-246 8026

(a) Based on 50 per cent. corporation tax. (b) Nil=11.92. † On old basis.

HIGHS AND LOWS

—	1973 High	1973 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	72.08 (22/1)	61.12 (26/11)	127.4 (9/1/35)	61.12 (26/11/73)
Fixed Int.	73.85 (23/1)	61.44 (27/11)	150.4 (28/11/47)	61.44 (27/11/73)
Ind. Ord.	509.5 (10/1)	363.9 (26/11)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	203.6 (6/7)	94.6 (9/1)	203.6 (6/7/73)	43.5 (26/10/71)

Basic 100 Govt. Secs 15/10/26 Fixed Int. 1928 Ind. Ord. 1/7/35. Gold Mines 12/9/55 S.E. Activity July-Dec 1942

S.E. ACTIVITY

—	Nov. 27	Nov. 26
Daily—		
Gilt Edged	127.0	146.4
Industrials	283.1	302.8
Speculative	110.3	114.5
Totals	188.4	200.2
5-day Av.—		
Gilt Edged	133.4	137.3
Industrials	263.2	253.0
Speculative	104.2	99.6
Totals	176.8	170.1

FT—ACTUARIES INDICES

—	Nov. 27	Nov. 26	Nov. 23	Nov. 22	Nov. 21	Nov. 20	A Year ago
Industrial Group	152.49	153.44	157.56	159.53	161.85	161.91	211.25
500 Shares	161.52	161.93	166.40	168.03	170.51	170.65	219.17
Div. Yield pc	4.73	4.72	4.59	4.55	4.48	4.47	3.53
P/E Ratio (net)	12.87	12.90	13.26	13.45	13.65	13.67	17.65
All Share	162.30	163.14	167.55	169.19	171.52	171.61	221.40
Consols Yield pc	12.18	12.26	12.17	12.16	12.16	12.16	9.61

† On old basis

AUTHORISED UNIT TRUSTS (p★★★)

(g) Abacus Arbuthnot Ltd.

(a) (g) The Crescent Group
Crescent Unit Trust Managers Ltd.
4, Melville Cres., Edinburgh 3. 031-226 4931
21, Spring Gardens, Manch. 061-832 5058
♥Crescent Growth 29.1 30.5xd —0.7 3.04
♥Cres. Internat'l. 37.8 39.8 —1.5 0.10

(a) J L Consumer Fund Mngrs.
72-80, Gatehouse Rd., Aylesbury Aby 5941
♦J.L. Int. Fund 26.0 27.8 —0.4 1.58

(a) (g) Key Fund Managers Ltd.

(a) National Westminster
41, Lothbury, EC2P 2BP. 01-637 5044
♥Capital (Accum.) 45.4 47.9 —1.1 2.95
♥Income 25.7 27.1 —0.4 4.89
♥Financial 51.6 53.3 —0.6 5.19
♥Growth Inv. 69.4 73.5 —1.0 5.68

(g) Sebag Unit Tst. Managers Ltd.
PO Box 511, Bckbry. Hse., EC4. 01-236 5000
♥Sebag Capital Fd 23.3 24.2 —0.2 2.72
♥Sebag Income Fd 22.6 23.5 —0.1 5.51
Not available to public generally.

[INSURANCE, PROPERTY, BONDS PRICES PAGE 33]

OFFSHORE AND OVERSEAS FUNDS (p★★★)

Albany Management Co. Ltd.

Fidelity Mngmt. & Res. (Bda.) Ltd.
P.O. Box 670, Hamilton, Bermuda.

Negit S.A.
10a, Boulevard Royal, Luxembourg.

STOCK EXCHANGE DEALINGS from the Official List for Nov. 27

Tuesday, November 27	8,277	Friday, November 23	8,008	Wednesday, November 21	6,889
Monday, November 26	8,797	Thursday, November 22	6,860	Tuesday, November 20	6,821

The list below gives the prices at which bargains done yesterday by members of The Stock Exchange were recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains except in special cases and the list cannot, therefore, be regarded as a complete record of prices at which business was done.

Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any price is recorded.

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ✚ Bargains done previous day. ✚ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian

BRITISH FUNDS, ETC. (680)

CORPN. & COUNTY—U.K. (71)

SHORT DATED BONDS FREE OF STAMP DUTY

PUBLIC BOARDS, ETC.—U.K. (9)

COMMONWEALTH GOVT. AND PROVINCIAL SECURITIES (19)

FOREIGN STKS., BDS., ETC. (6)

CORPN. STKS.—FOREIGN (1)

U.K. AND COMMONWEALTH RAILWAYS (5)

FOREIGN RAILWAYS (4)

BANKS & DISCOUNT COS. (375)

BREWERIES & DISTILLS. (233)

CANALS & DOCKS (13)

COMMERCIAL, INDUSTL. (4,132)

A—B

C—D

E—F

G—H

I—J—K

L—M

N—O—P

Q—R—S

T—U—V

W—Y—Z

ELEC. LIGHTING & POWER (1)

FINANCIAL TRUSTS, ETC. (245)

GAS (39)

INSURANCE (226)

INVESTMENT TRUSTS (583)

UNIT TRUSTS (0)

IRON, COAL & STEEL (72)

MINES

Australian (39)

Broken Hill South ($A0.50) xd 170
Great Boulder Mines ($A0.10) xd 47 8
Hampton Gold Mining Areas (5p) xd 183 49
M.I.M. Hldgs. ($A0.50) 180●
N.B.H.C. Hldgs. ($A0.50) 252● 10 50 45 7 2 8 6
North Broken Hill ($A1) xd 91 2 90
North Kalgurli Mines ($A0.30) 101
Western Mining Corp. ($A0.50) 97● 99 8 9 100 97

Miscellaneous

Rhod. & E. African

South African

Events

To-day

NEWMAN-TONKS, Birmingham, (Chairman, Mr. H. C. Shead.)
PRESSAC, Nottingham, 12. (Chairman, Mr. G. W. Clark.)
UNITED REAL PROPERTY TRUST, Connaught Rooms, W.C., 12. (Chairman, Mr. M. Wohl.)
WOMBWELL FOUNDRY ENGINEERING, Sheffield, 12. (Chairman, Mr. G. L. Bramah.)

ACTIVE STOCKS

Prices in pence except where otherwise indicated.

Stock	Denomination	No. of marks	Closing price	Change on day	1973 high
ICI	£1	18	220	+ 6	294
Swan Hunter	£1	16	125	−13	188
De Beers Defd.	R0.05	14	259	+ 3	412
BP	£1	13	546	+ 6	600
Amal. Inv. & Prp.	25p	12	129	+ 8	158
Euro. Ferries	25p	12	115	+ 2	105
Beecham	25p	11	280	+ 7	311
Distillers	50p	11	143	+ 4	173
GKN	£1	11	236	− 2	374
P & O Defd.	£1	11	130	− 9	182
Reckitt & Colman	50p	11	296	+ 4	369
Coral (J.)	10p	10	151	+ 5	194
Courtaulds	25p	10	126	+ 3	166½
HK & Sh'ghai Bk.	$HK2.5	10	295	+ 3	405
Thorn Elect. "A"	25p	10	380	+ 7	512

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e) reproduced to-day in Stock Exchange dealings.

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Nov. 20	Dec. 3	Feb. 21	Mar. 5
Dec. 4	Dec. 17	Mar. 7	Mar. 19
Dec. 18	Jan. 7	Mar. 21	Apr. 2

There was an extremely active day's trading yesterday in the Option market. Calls were dealt in Francis Parker, Slater Walker, Vickers, Boots, Law Land, G.R.A. Property Trust, Western Mining, Court Line, National Carbonising, R. Stigwood, Lonrho, I.C.I., Dunlop, British Oxygen, ... RHM, Courtaulds, Williams ... son, Amalgamated Investment, British Leyland, Orme Developments, "Lofs," Swan Hunter, British-American Tobacco, ...ham, Beralt Tin, Ladbroke, ...tish and Newcastle, Rio Tinto Zinc, Raglan Property, Distillers, Shell Transport, and Venesta ... doubles were reported, while ... put was arranged in Henlys.

REGIONAL MARKETS

Prices in pence and denominations of 25p unless otherwise stated

BELFAST

IRISH EXCHANGE

NORTHERN EXCHANGE

MIDLANDS & WESTERN

SCOTTISH EXCHANGE

MONEY MARKET

Small official bill sales

Bank of England Minimum Lending Rate 13%
(since November 13, 1973)

Day-to-day credit was in good supply in the London Money Market yesterday, and the authorities sold a small amount of Treasury bills in order to absorb surplus funds. The identified factors suggested that the underlying surplus was much larger than that indicated by the official bill sales, however, and banks were widely thought to be carrying an appreciable surplus over until to-day, when Government disbursements are expected to be another major factor in the market's favour. With the first quarter of the November 13 call for a further 2 per cent. of special deposits due to be lodged to-day, nevertheless, a fairly flat day-to-day net credit position is expected in various quarters. Yesterday, Government disbursements outweighed revenue transfers to the Exchequer by considerably more than was absorbed in a net Treasury bill take-up and rise in the note circulation.

A rate of 10½ per cent. to 11 per cent. was bid by some Discount houses for secured call loans to start with, although in places the ruling level was never higher than 9½ per cent., while late balances were found at 2 per cent. to 3 per cent. In the inter-bank market, overnight loans opened at 12 per cent. or so in places, but ended at 1½-4 per cent.

The free supply of day-to-day credit helped to keep down rates at the very short end of the various markets, but the three-month sterling certificate yield, for instance, hardened a shade, to 15⅝-15⅝ per cent., from 15 7/16-15 9/16 per cent., and there were some other modest increases, with gilt-edged showing a weaker tone.

Rates in the table below are nominal in some cases.

Nov. 27 1973	Sterling Certificates of deposit	Inter-bank	Local Authority deposits*	Local Auth. negotiable bonds	Finance house deposits	Company deposits	Discount market deposits	Treasury bills⊕	Bank bills⊕	Fine trade bills⊕
Overnight	—	11⅛-12	8-12	—	—	11-12	3-11	—	—	—
2 days notice	—	—	15⅛-15¾	—	—	13¾	—	—	—	—
7 days or 7 days notice	—	12¾-13¼	13¾-14	—	14	—	11-12	—	—	—
One month	14⅛-15 1/16	13⅞-14⅝	14-14¼	14¼-15⅛	14⅝	—	12⅛-12⅝	12 9/16-12⅝	15 1/16-14¼	14-15¾
Two months	15¼-14 13/16	14⅞-15⅛	—	15¼-14⅛	15⅛	—	12¼-12⅞	12 7/16-12⅝	15⅝-15⅝	14¼-15¾
Three months	15⅝-15⅝	15⅝-15⅝	15	15⅝-14⅛	15⅛	—	12⅝-13	12⅛-12⅝	15⅝-15⅛	14⅛-15¾
Six months	15 9/16-15⅝	15 9/16-15⅝	15	15⅝-14⅛	15⅛	—	—	—	14¼-14¾	14⅛-15
Nine months	15⅝-15	15⅝-15⅝	—	15¼-14⅛	15⅝	—	—	—	—	—
One year	15 1/16-14⅞	15-15¼	15⅝-15⅛	15¼-14¾	15⅝	—	—	—	—	—
Two years	—	—	14⅞	—	—	—	—	—	—	—

BANK BASE RATES

Allied Irish Banks Ltd.	13 %
Anglo-Eastern Bank ...	13 %
Anglo-Portuguese Bank	13 %
Henry Ansbacher	13 %
Audley Holdings Ltd.	13½%
Banco de Bilbao	13 %
Bank of Cyprus	†13 %
Barclays Bank	13 %
■ Wm. Brandt's	13 %
Brit. Bk. of Commerce	13½%
Brit. Bank of Mid. East	13 %
■ Brown Shipley	13 %
Cedar Holdings	13 %
■ Charterhouse Japhet ...	13 %
Choulartons	13 %
C. E. Coates	13 %
Consolidated Credits ...	13 %
Co-operative Bank	*13 %
Copleys Bank	13 %
Corinthian Securities...	13 %
Credit Lyonnais	13 %
Credito Italiano	13 %
G. R. Dawes	13 %
Dawnay Day	13½%
Duboff Brothers	13 %
Dunbar and Co. Ltd. ...	13½%
Duncan Lawrie	13 %
English Transcont. ...	13 %
First Maryland	13½%
FNFC	13 %
■ Antony Gibbs	13 %
Gresham Trust	13 %
Greyhound Guaranty	13 %
■ Guinness Mahon	13 %
■ Hambros Bank	13 %
Hawtin & Partners ...	13½%
■ Hill Samuel	§13 %
C. Hoare & Co.	†13 %
Julian S. Hodge	13 %
Italian International	13 %
Jacobs, Kroll	13 %
Keyser Ullmann	13 %
Kinghurst Securities...	13 %
Lloyds Bank	13 %
London & County Sec.	13½%
London & European ...	13 %
London Cavendish	13½%
London Mercantile ...	13½%
Midland Bank	13 %
■ Samuel Montagu	13 %
Moorgate Mercantile...	13 %
■ Morgan Grenfell	13 %
Morris Wigram Ltd. ...	13 %
National Westminster	13 %
Northern Comm. Trust	13 %
Norwich General Tst.	13 %
Portman Guaranty ...	13 %
■ Rea Brothers	13½%
P. S. Refson & Co. ...	13 %
■ N. M. Rothschild	13 %
St. Mary Axe Finance	13 %
E. S. Schwab	13 %
Security Tst. Co. Bhm.	13 %
Shenley Trust	13 %
Standard Guarantee ...	13 %
Sterling Credit	13½%
Sterling Industrial Sec.	13 %
Stewart Salmon & Co.	13 %
Swiss-Israel Trade Bk.	13 %
Thames Guaranty	13 %
Trade Development Bk.	13 %
Twentieth Century Bk.	13 %
United Bank of Kuwait	13 %
Wallace Bros. Sassoon	13 %
Whiteaway Laidlaw ...	13 %
G. T. Whyte	13 %
Williams & Glyn's	13 %
Wintrust	13 %
Yorkshire Bank	13 %

All deposits under £10,000 limited to 9½% as per Bank of England request.
■ Members of the Accepting Houses Committee.
* 7-day deposits £10,000+ 11½%, 1-month deposits 11¾%.
† 7-day deposits in excess of £10,000 up to £25,000 11¾%, over £25,000 12%.
‡ Demand Deposits 12%, £10,000 and over.
† Linked to M.L.R.

INSURANCE BASE RATES

† Atlantic Assurance ... 13½%
† Address shown under Insurance and Property Bond table.

Containership operating scheme

By James McDonald, Shipping Correspondent

TWO OF the few medium-sized containership operators on the North Atlantic—CP Ships and Manchester Liners—both of whom are not members of consortia—have reached a commercial agreement to rationalise their transatlantic container operations serving the U.K., the Continent and eastern Canada. One of the results of the agreement is that CP Ships is to withdraw its operations from Liverpool after a link with the port lasting 70 years.

Under the agreement Manchester Liners will concentrate its efforts on container services to and from Montreal and northern ports in the U.K., while CP Ships will continue to link southern England and Continental European ports — Le Havre and Rotterdam—to its container terminal at Quebec City.

CP Ships' only container terminal from the start of next year will be Tilbury: it is withdrawing not only from Liverpool but from Greenock too.

At the same time, Manchester Liners will withdraw its service to Felixstowe and Rotterdam.

"By realigning the container services, both shipping lines intend to provide a more efficient container service in line with the growing needs of shippers on both sides of the Atlantic," said a joint announcement yesterday.

A CP Ships spokesman stressed last night that the decision to depart from Liverpool had nothing to do with the port's admittedly bad record." The decision was reached on purely economic grounds involving rationalisation of services "and Liverpool's record was not involved."

Rolls-Royce wins French Navy contract

By Michael Donne, Aerospace Correspondent

A MULTI-MILION pound contract has been won by Rolls-Royce (1971) to supply Olympus gas turbine engines to the French Navy, for use in its C-70 Corvettes. France will also make Marine Olympus components under licence.

Two Marine Olympus engines will be installed in each Corvette, together with French-built diesel engines.

The French deal brings to more than £11m. the value of contracts won so far this year by Rolls-Royce's Industrial and Marine Division for gas turbine engines—Olympus, Tynes and Proteus—for use in marine roles.

CORAL INDEX
Close 370-375

NEW "HIGHS" AND "LOWS" FOR 1973

New "lows," which are too numerous to name individually were attained by 698 securities and are listed below in their sub-sections. There were 2 new "highs"

NEW "HIGHS" (2)

FOODS (1)
Hazlewoods
HOTELS (1)
Isle of Man Holiday

NEW "LOWS" (698)

INTERNATIONAL BANKS (1)
CORPORATION LOANS (4)
PUBLIC BOARD & OTHER LOANS (3)
COM'WEALTH & AFRICAN LOANS (4)
FOREIGN BONDS (1)
AMERICANS (8)
CANADIANS (1)
BANKS (20)
BEERS (17)
BUILDINGS (40)
CHEMICALS (9)
CINEMAS (4)
DRAPERY & STORES (22)
ELECTRICALS (18)
ENGINEERING (60)
FOODS (18)
HOTELS (10)
INDUSTRIALS (127)
INSURANCE (9)
MACHINE TOOLS (6)
MOTORS (25)
NEWSPAPERS (4)
PAPER & PRINTING (7)
PROPERTY (10)
SHIPBUILDERS (4)
SHOES (10)
SOUTH AFRICANS (3)
TEXTILES (29)
TOBACCOS (1)
TRUSTS (195)
OILS (3)
RUBBERS (5)
TEAS (5)
MINES (20)

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	45	1	2
Corps., Dom. and Foreign Bonds	1	23	58
Industrials	181	928	687
Financial and Prop.	68	434	183
Oils	8	9	16
Plantations	2	37	16
Mines	27	64	69
Recent Issues	2	25	28
Totals	334	1,521	1,059

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of The Financial Times, The Institute of Actuaries and The Faculty of Actuaries

	EQUITY GROUPS — GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Tue. Nov. 27 Index No.	Day's Change %	Est. Earnings yield % (full)	Gross Div. yield %	Est. P/E Ratio (net)	Est. P/E Ratio (nil)	Mon. Nov. 26 Index No.	Friday Nov. 23 Index No.	Thurs. Nov. 22 Index No.	Wed. Nov. 21 Index No.	Year ago (approx.) Index No.	1973 High	1973 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (185)	139.55	−0.9	12.65	5.07	10.94	10.93	140.83	145.17	147.05	149.58	185.59	186.05 (1/1)	139.55 (27/11)	206.37 (4/5/72)	82.82 (25/6/66)
2	Building Materials (29)	136.50	−1.5	14.66	5.83	9.34	9.34	138.62	142.27	144.47	147.61	194.89	195.69 (2/1)	136.50 (27/11)	233.84 (2/5/72)	85.01 (25/6/62)
3	Contracting, Construction (22)	247.63	+0.5	13.32	3.51	10.60	10.57	246.39	256.82	262.82	266.24	345.21	349.47 (17/1)	246.38 (26/11)	389.33 (19/5/72)	84.39 (27/5/66)
4	Electricals (17)	256.84	+0.2	11.74	4.02	11.67	11.67	256.31	261.83	264.48	268.58	314.68	307.90 (9/1)	256.31 (26/11)	350.04 (4/5/72)	84.71 (25/6/62)
5	Engineering (Heavy) (15)	141.99	−3.3	14.40	5.47	9.16	9.16	146.88	152.88	156.80	157.33	164.72	202.57 (8/6)	141.99 (27/11)	202.57 (8/6/73)	141.99 (27/11/73)
6	Engineering (General) (64)	115.12	−1.3	12.28	6.21	11.37	11.38	116.65	121.03	122.37	124.74	157.12	158.64 (2/1)	115.12 (27/11)	168.59 (4/5/72)	115.12 (27/11/73)
7	Machine and Other Tools (14)	51.05	−1.2	5.81	7.60	29.53	27.34	51.69	52.98	53.72	54.91	60.92	67.88 (8/6)	51.05 (27/11)	136.70 (4/7/66)	42.86 (6/3/71)
8	Miscellaneous (24)	127.63	−1.5	11.86	4.90	11.76	11.76	129.59	133.45	134.25	135.97	170.61	173.76 (11/1)	127.63 (27/11)	177.41 (27/4/72)	69.01 (8/11/65)
9	CONSUMER GOODS (DURABLE) (59)	148.00	−0.6	13.57	4.15	10.23	10.19	148.82	153.14	155.32	157.72	209.69	210.88 (11/1)	148.00 (27/11)	227.78 (21/4/72)	79.16 (25/6/62)
10	Lt. Electronics, Radio TV (14)	182.98	+0.2	10.64	2.47	13.12	13.06	182.61	187.14	190.17	192.75	250.42	251.93 (11/1)	182.61 (26/11)	257.41 (19/5/72)	71.10 (16/1/66)
11	Household Goods (16)	196.70	−1.2	15.10	4.30	9.16	9.11	199.07	201.71	203.97	204.15	242.56	257.99 (2/1)	196.70 (27/11)	263.48 (4/5/72)	86.65 (25/6/62)
12	Motors and Distributors (29)	76.04	−1.5	17.79	6.92	7.77	7.76	77.20	80.55	81.57	83.61	120.45	122.75 (17/1)	76.04 (27/11)	170.59 (15/1/69)	75.92 (24/10/62)
13	CONSUMER GOODS (NON-DURABLE) (169)	152.08	−0.9	11.41	4.89	12.09	11.99	153.44	157.23	158.89	161.18	218.23	212.13 (2/1)	152.08 (27/11)	226.08 (16/6/72)	85.71 (8/11/66)
14	Breweries (16)	179.66	−0.6	11.73	4.91	12.18	12.18	180.48	185.40	186.09	189.95	261.87	265.23 (2/1)	179.66 (27/11)	281.67 (28/11/72)	80.30 (30/6/66)
15	Wines and Spirits (8)	177.41	−1.2	10.34	4.77	13.66	13.66	179.58	186.57	188.97	192.88	216.06	216.12 (17/1)	174.44 (11/7)	257.40 (13/7/72)	118.78 (15/6/70)
16	Entertainment, Catering (16)	187.05	−1.7	13.41	5.66	10.20	10.18	190.23	195.85	197.53	200.28	310.98	323.23 (19/7)	187.05 (27/11)	329.99 (12/12/72)	60.11 (25/7/62)
17	Food Manufacturing (24)	133.04	−1.8	12.72	5.04	10.77	10.77	135.46	139.40	141.65	144.13	192.20	187.87 (2/1)	133.04 (27/11)	211.65 (1/6/72)	95.96 (15/6/70)
18	Food Retailing (18)	141.63	−1.0	9.45	3.67	14.98	14.98	143.11	148.21	151.36	151.61	212.25	217.48 (2/1)	141.63 (27/11)	235.08 (15/8/72)	94.62 (25/5/70)
19	Newspapers, Publishing (16)	208.39	−1.8	11.77	4.21	12.05	12.05	212.21	215.09	217.12	216.93	241.96	260.29 (18/1)	208.39 (27/11)	260.29 (18/1/73)	81.74 (5/6/62)
20	Packaging and Paper (14)	91.87	−0.9	12.34	6.06	11.09	11.06	92.75	95.94	96.26	97.77	125.41	126.47 (2/1)	91.87 (27/11)	135.69 (28/4/72)	87.91 (25/6/62)
21	Stores (28)	138.91	−0.5	9.55	4.08	14.95	14.94	139.68	142.18	143.73	145.68	195.18	186.50 (2/1)	138.91 (27/11)	204.39 (16/8/72)	72.74 (8/11/66)
22	Textiles (20)	154.81	−0.4	14.74	6.11	7.98	7.46	155.46	160.30	162.83	165.78	227.88	213.80 (2/1)	154.81 (27/11)	263.72 (17/9/68)	89.90 (20/7/62)
23	Tobacco (3)	219.47	+0.2	12.86	7.17	10.81	10.77	219.14	220.64	219.57	222.56	298.93	289.66 (3/1)	219.14 (26/11)	339.16 (2/8/72)	94.34 (13/6/62)
24	Toys and Games (6)	58.27	−2.5	13.57	3.78	10.44	10.44	59.74	61.43	62.40	62.09	75.03	80.79 (15/1)	58.27 (27/11)	135.72 (16/1/70)	44.90 (8/8/71)
	OTHER GROUPS															
25	Chemicals (22)	150.56	+0.7	8.99	4.67	15.04	15.01	149.89	152.98	156.70	156.99	193.70	191.47 (17/1)	149.69 (26/11)	201.92 (31/1/69)	95.29 (25/6/62)
26	Office Equipment (10)	163.62	+0.8	6.24	2.59	21.11	21.11	162.56	165.21	167.27	167.20	217.32	227.62 (9/1)	162.56 (26/11)	246.06 (1/9/72)	109.12 (28/5/70)
27	Shipping (10)	385.65	+1.0	10.35	4.57	11.47	10.37	381.72	404.21	411.28	417.66	504.56	515.97 (19/1)	381.72 (26/11)	517.00 (6/12/72)	90.80 (29/6/62)
28	Miscellaneous (41)	176.04	−1.1	11.19	4.50	12.55	12.54	177.95	182.64	184.81	188.24	249.86	252.39 (17/1)	176.04 (27/11)	258.83 (2/5/72)	78.52 (6/11/69)
29	INDUSTRIAL GROUP (496)	152.49	−0.6	11.38	4.75	12.08	12.00	153.44	157.56	159.53	161.85	211.26	207.00 (2/1)	152.49 (27/11)	220.17 (1/5/72)	120.61 (2/5/71)
30	Oil (4)	257.07	+2.2	6.86	4.78	22.68	17.13	251.51	259.70	257.52	262.02	301.05	328.39 (15/1)	247.06 (15/10)	431.66 (29/5/69)	87.23 (29/5/62)
31	500 SHARE INDEX	161.52	−0.3	10.66	4.73	12.57	12.49	161.93	166.40	168.05	170.51	219.17	217.40 (10/1)	161.52 (27/11)	227.96 (15/8/72)	64.86 (26/6/62)
32	FINANCIAL GROUP (101)	170.94	−0.7	—	3.59	—	—	172.08	176.25	177.89	180.46	232.09	230.42 (9/1)	170.94 (27/11)	241.41 (21/4/72)	59.35 (30/6/66)
33	Banks (6)	191.62	−0.6	14.00	3.26	10.10	10.10	192.78	197.06	199.16	200.29	270.97	269.52 (9/1)	189.62 (6/9)	288.32 (20/7/71)	59.25 (16/6/64)
34	Discount Houses (8)	155.20	−1.6	—	7.56	—	—	157.76	160.32	160.35	160.35	238.58	258.57 (25/6)	155.20 (27/11)	293.13 (2/6/72)	87.86 (12/6/69)
35	Hire Purchase (5)	267.40	−0.6	12.80	4.71	11.09	11.09	269.02	280.56	284.29	290.98	404.34	374.92 (9/1)	267.40 (27/11)	433.72 (4/5/72)	60.02 (3/6/66)
36	Insurance (Life) (9)	125.69	−1.4	—	4.30	—	—	127.43	130.36	131.20	132.05	190.20	186.36 (8/1)	125.69 (27/11)	194.46 (16/3/72)	61.86 (30/6/66)
37	Insurance (Composite) (8)	96.28	−0.6	—	6.30	—	—	96.77	98.80	99.33	102.11	145.26	141.37 (9/1)	96.28 (27/11)	156.76 (21/4/72)	54.40 (16/6/66)
38	Insurance (Brokers) (8)	200.04	−0.8	7.95	3.71	17.78	17.78	201.74	205.44	208.63	208.79	255.20	249.06 (2/1)	190.98 (28/8)	262.37 (12/12/72)	88.59 (24/7/69)
39	Merchant Banks (18)	173.47	−1.2	—	5.19	—	—	175.61	178.98	*180.88	183.10	256.62	253.12 (9/1)	173.47 (27/11)	278.57 (1/5/72)	60.47 (15/9/66)
40	Property (29)	289.50	—	3.60	2.15	37.46	36.71	289.49	297.92	301.49	307.33	311.06	357.40 (9/11)	222.63 (2/1)	357.40 (9/11/73)	56.01 (20/4/65)
41	Miscellaneous (10)	166.01	−3.0	11.85	6.38	12.00	12.00	171.06	175.71	177.19	179.11	259.20	281.14 (17/1)	166.01 (27/11)	305.13 (18/5/72)	120.06 (31/12/70)
42	Investment Trust Group (50)	159.39	−3.2	3.59	3.63	27.99	27.87	164.64	169.88	171.76	171.51	235.76	236.13 (18/1)	159.39 (27/11)	245.79 (25/4/72)	80.84 (26/6/62)
43	ALL-SHARE INDEX (651)	162.30	−0.5	—	4.42	—	—	165.14	167.55	169.19	171.52	221.40	219.02 (10/1)	162.30 (27/11)	228.18 (1/5/72)	63.72 (26/6/62)
	COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44	Rubbers (10)	399.92	−5.0	5.50	5.11	25.42	20.15	420.89	428.07	428.06	435.58	351.21	555.37 (23/7)	399.92 (27/11)	555.37 (23/7/73)	*64.68 (25/6/66)
45	Teas (10)	106.94	−1.0	3.05	8.22	50.64	38.18	108.05	108.26	108.36	108.58	103.54	120.92 (16/1)	102.71 (28/9)	121.47 (1/6/72)	59.96 (14/11/66)
46	Coppers (4)	353.30	−1.4	30.40	15.90	5.29	3.29	358.29	368.07	366.27	373.65	425.18	567.78 (13/7)	350.66 (5/9)	567.78 (13/7/73)	94.08 (29/4/62)
47	Mining Finance (11)	84.95	−1.9	7.92	3.57	13.54	13.51	86.56	90.29	91.68	91.39	110.35	127.69 (28/7)	84.95 (27/11)	175.90 (22/4/69)	70.93 (2/11/71)
48	Tins (8)	88.20	−2.8	8.53	7.26	16.18	12.67	90.70	93.39	95.61	93.12	102.60	125.34 (12/1)	83.67 (12/9)	125.34 (12/1/73)	54.83 (27/5/71)

	FIXED INTEREST	Tuesday, Nov. 27 Index No.	Tuesday, Nov. 27 Yield %	Monday Nov. 26	Friday Nov. 23	Thursday Nov. 22	Wed. Nov. 21	Tuesday Nov. 20	Monday Nov. 19	Friday Nov. 16	Year ago (approx.)	1973 High	1973 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	12.18	12.26	12.17	12.16	11.60	12.16	12.06	12.07	9.61	—	—	—	—
2	20-yr. Govt. Stocks (6)	58.56	‡11.23	58.25	58.54	58.61	58.63	58.80	59.16	59.35	74.64	74.22 (2/1)	58.25 (26/11)	115.42 (11/9/63)	58.25 (26/11/73)
3	20-yr. Red. Deb. & Loans (15)	57.75	‡12.86	57.78	57.99	57.96	57.96	58.12	58.14	58.04	71.87	72.06 (22/2)	57.75 (27/11)	113.46 (28/10/63)	57.75 (27/11/73)
4	Investment Trusts Prefs. (15)	49.10	13.49	49.25	49.48	49.48	49.48	49.48	49.48	49.66	71.52	69.76 (16/1)	49.10 (27/11)	114.41 (16/8/65)	49.10 (27/11/73)
5	Coml. and Indl. Prefs. (20)	62.67	12.46	63.00	63.90	63.90	63.81	63.84	63.88	64.00	79.00	77.56 (8/1)	62.67 (27/11)	114.41 (1/10/65)	62.67 (27/11/73)

Section or Group	Base Date	Base Value
Engineering (Heavy)	31/12/71	153.84
Engineering (General)	31/12/71	153.84
Food Manufacturing	29/12/67	114.13
Food Retailing	29/12/67	114.13
Insurance Brokers	29/12/67	96.67
Mining Finance	29/12/67	100.00
Wines and Spirits	16/1/70	144.76
Toys and Games	16/1/70	135.72
Office Equipment	16/1/70	142.74
Industrial Group	31/12/70	120.06
Miscellaneous Financial	31/12/70	120.06
All Other	10/4/62	100.00

‡ Redemption yield. F.T.-Actuaries Indices are calculated by Extel-Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the F.T.-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By inland post 16p. Commonwealth 18p. Foreign 22p.

NAME CHANGE: Peters (J.) (Furnishers) has changed its name to Waring & Gillow (Stores).
* Corrected.

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This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £250 per annum for each security.

For Notes, see page 33

BANKS AND HIRE PURCHASE

Hire Purchase etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER & ROADS

BUILDING INDUSTRY—Continued

CHEMICALS, PLASTICS, ETC.

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Continued

ELECTRICAL AND RADIO

ENGINEERING AND METAL

ENGINEERING AND METAL—Cont.

FOOD, GROCERIES, ETC.

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS—(Miscel.)

INDUSTRIALS—Continued

INDUSTRIALS—Continued

PROPERTY—Continued

TEXTILES—Continued

TRUSTS—Continued

OILS—Continued

1973 High	Low	Stock	Price	+ or −	Net Div.	Cvr	Y'ld pc	P/E
70	53	Walker Cent. 10p	53	−2	17 6	2.5	4.8	12.3
97	35	Weeks Nat. 10cts.	72	.....	—	—	—	—
101	40	Do. Pfd. Ord 10c.	73	....	—	—	—	—
45	15	Do. Options	32	.....	—	—	—	—
216½	78	Wood Bros. A50c.	97	−4	—	—	—	—

RUBBERS AND SISALS

1973 High	Low	Stock	Price	+ or −	Net Div.	Cvr	Y'ld pc
41	30	Anglo-Indo'n'sn.	31	−2	—	—	—
50	29	Bertam Con. 10p	37	−2	12.9	0.9	5.0
84	52	Bradwall 10p	73	−2	14.7	0.8	2.9
61	25	Saint Mert. 10p	51	−4	Q12½	2.6	2.4
114	78	Castlefield 10p	90	−7	Q15	1.5	1.7
85	66	Chersonese 10p	69	−4	28	0.7	5.8
77½	43	Cons. Plants 10p	53	−3	15.2	ϕ	4.1
29	20	Dunlop Plant. 10p	24	−2	ϕB	—	—
45½	17	Gadek 10p	41	−1	27	0.8	2.5
87	58	Golden Hope 10p	58	−1½	25.7	1.0	6.3
7½	4¼	Grand Central 10p	4½	.....	75	0.3	15.9
445	327	Guthrie Corp £1	333	−7	12.9	1.3	5.5
129	82	Highlands 10p	91	−7	†25.7	0.5	4.0
46	21	Kuala Kepong M$1	39½	+½	Qh6¼	1.8	1.6
41	28	Kulim 10p	29	−1	11.9	0.8	5.9
60½	39	Ldn. Asiatic 10p	39	−1	h17.5	1.2	6.4
50	29	Ldn. Sm'tra 10p	29	−1	10.3	1.5	5.1
81	36	Malakoff 10p	61	−½	Q12½	1.9	2.1
23	13	Malayalam 10p	13	−1	10½	0.7	11.5
64	36	Muar River 10p	59	−2½	11	1.4	2.7
56	37	Pataling 10p	37	−1	†h16.3	1.1	6.3
67	44	Plantat'n Hlgs. 10p	54xd	−4½	†Q21	1.4	3.9
£11½	675	Sungei Krian £1	58¼	−¼	Q40	1.1	3.9

[illegible]

INSURANCE

MACHINE TOOLS

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

Finance, Land, etc.

OILS

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES—CENTRAL RAND

EASTERN RAND

FAR WEST RAND

O.F.S.

FINANCE

DIAMOND AND PLATINUM

CENTRAL AFRICAN

AUSTRALIANS

TINS

COPPER

MISCELLANEOUS

Lombard

The way to tackle market malaise

BY C. GORDON TETHER

The developing debate as to how far the acute malaise currently overtaking world stock markets resembles that associated with the notorious Wall Street crash of 1929 is, of course, extremely interesting. But what is of much greater significance in the more immediate sense is that there is a growing tendency in the market places of the world to draw such a parallel.

For the message is clear enough. It is that the pace-setting countries must demonstrate that they are planning meaningful measures to halt the long-term drift towards chaos in international economic and financial affairs which serves to give such new bugbears as the oil crisis an even more devastating impact. Indeed, unless this happens, we may soon be in even greater danger of travelling down the world recession path than we are already.

The FT's 30-share index of U.K. equities is currently showing a decline of around a sixth when compared with two years ago—which is itself bad enough seeing that company activity and company profits have increased considerably during that time. Yet, when allowance is made for the fact that the money in which it is expressed has suffered a fall of almost a fifth in the same period, the shares it comprises are seen to have dropped in value by no less than a third.

A similarly sobering story can be told about the behaviour of stock market prices in almost all the other leading countries. In some cases, indeed, it is much more frightening still.

In a tangle

Thus, it is true to say that there are distinctly worrying signs of incipient panic on the stock markets throughout the world. And it is not only because it is common knowledge that financial pestilence of this kind is very apt to feed on itself that this gives cause for considerable anxiety. It is also because it is obviously going to be widely interpreted as denoting that the "day of reckoning"—which the international, financial doom-watchers have long warned would have to come sooner or later—is, in fact, now at hand.

When the world's affairs have been allowed to get into the kind of tangle they have now, it is far from easy to decide in which direction it is best to turn to seek a way out. But what can be said is that the starting point for such an exercise must be recognition of one thing. It is that, while the oil crisis is the immediate cause of the crumbling of stock markets, it would not have been anything like as potent in this respect as it has been if it had not been operating in such a conducive—malevolently speaking—climate.

To begin with, there is no doubt that the immense emphasis that has been placed throughout the advanced world on the dear money method of trying to stem inflation is to a significant degree responsible for the fact that investors are developing such an inconveniently strong preference for money at such a highly inconvenient moment.

Best bet

Money is, of course, itself under a heavy cloud and obviously will be for some time. However, it is widely argued that official efforts to stem its fall may well eventually have to reach an intensity calculated to provoke net selling of all assets for a time. So there is an inevitable tendency to regard it as the best bet when funds held in the most liquid of forms can command double-figure rates of interest.

The other main reason why the stock markets have proved to be so vulnerable to the oil crisis is to be found in the depth of the uneasiness about the future of the world's monetary system generated by the continued official failure to tackle such problems as the dollar glut and the excesses of the Euro-currency market. M. Jacques Rueff, the distinguished French economist, summed it up when he said recently that "the world is wasting its energies in idle discussion about monetary reform, while decay and disorder are spreading in a universal inflation which is fraught with the greatest dangers."

To point to the extent to which such dilatoriness and high interest rates are helping to create a 1929 atmosphere is to point to two ways in which the leading countries can set to work to head this danger off. There should now be a concerted international move to get interest rates down as a matter of urgency. Along with it, there should be a drive to re-establish monetary law and order that is intended to get results, instead of—as the present one sometimes appears to be aimed at doing—to perpetuate indecision.

THE LEX COLUMN

Index rose 12.5 to 376.4

Striking a balance at Redland

Profits projections for a group like Redland—where transport accounts for around a fifth of costs in major U.K. divisions—could be made to look very silly indeed by the oil shortage. But the analyst can only work from the assumption that Redland will be able to deliver its goods, and on that basis a half-time profits rise from £9.8m. to £12.2m. (excluding land sales) provides important clues to the momentum for this year and next.

Within the total, a marginal fall in the U.K. is all to do with temporary limitations on margins in bricks, plus the way road surfacing contracts have been bunched up in the second half. From now on, however, the tile business—accounting for something approaching a quarter of home profits—is going to start feeling the impact of lower housing starts. That will be cushioned by Purle, where the turnround this year may be worth about £1m., with perhaps only a quarter of that showing through so far. So U.K. profits for the year could emerge roughly £¼m. lower at £7m.

Overseas profits are nearly two-fifths up at £5.9m., with currency swings accounting for around half the rise. Germany works on a calendar year basis and output here is sold out for the year despite production gains of a sixth and a decline of well over a tenth in housing approvals since May. Add in another strong performance from the associates—principally Australia—and the group target for the year comes out somewhere around £23m. against £19.5m. pre-tax.

Thereafter, the hopes for Germany focus round an improving share of the roof tile market, increasing renovation work, and improving returns in the 30 per cent. or so of sales outside tiles. In the U.K., Purle will again provide a prop and so will one or two specific new projects—notably the massive new granite quarry scheduled to produce annual profits of maybe £½m. Without an energy problem, then, there would be little reason to expect a significant profits decline next year. A current year p/e of something under 8 at 80p has to strike a compromise between this big uncertainty, and the thought that this time next year we might just be thinking about the strong side of the building cycle.

Geo. Bassett

Geo. Bassett's growth aspirations have taken a knock in the first half of 1973-74. Against early morning hopes yesterday of £1.4m. pre-tax against £1.2m., the reported figure is £1.24m. There are three main reasons why. First, April to mid-October 1972 had the benefit of low sugar prices and heavy distribution payments to users — for Bassett, there were windfall profits here in the £150,000 to £200,000 range. Secondly, a £2m. expansion programme expected to add a net 15 to 20 per cent. to capacity by early 1975 — but worth a good deal more than that in terms of modern capacity and the release of the Wood Green factory freehold—held confectionery production back in the first half. Finally the Dutch subsidiary, which seemed to be recovering last year, went into the red, with the now familiar accompaniment of a senior management change. The importance of the Dutch setback can be gauged from the fact that U.K. manufacturing profits were 10 per cent. up, and wholesaling profits 62 per cent. better.

One apparent oddity, in view of the Dutch situation, is a rise in total manufacturing sales of 16 per cent. against 13 per cent. for the U.K. However we are talking in sterling terms; those, for the Dutch company, would have gone up 17 or 18 per cent. on no change at all in Guilders. In Holland, the main problem seems to be getting the marketing right. But in the short term, there is the point that the second half of last year, due to a special provision for holiday pay, also showed a loss in Holland; this year it should be back into the black, although Bassett is not willing to bet on it, given the particular vulnerability of the Dutch to the Arab oil squeeze. General fuel and supply problems apart, Bassett is optimistic. The market is a good deal less so, with the shares at 99p on an historic, net and fully taxed p/e of 11.3; it is up to Bassett to prove that its market share ambitions, in the U.K. and on the Continent, might even get a fillip — its reckoning being that size and buying know-how becomes more important when a fragmented industry has raw material supply problems.

Valor

Against a forecast of £1¼m., Valor has come up with first half pre-tax profits of £1.33m. against £821,000. There is no denying the quality of this achievement, against a history of unexciting long term U.K. trends in gas fire and gas cooker sales, although security of supply for North Sea gas, electricity disputes and the oil saga have all helped to make the U.K. gas appliance market more buoyant recently. Valor, however, points up the strength of overseas demand; and it may be that there is reason to read between the lines of a note saying that immediate policy is presently biased towards exports and expansion overseas. The successful Cadac acquisition in South Africa may have strengthened its ambitions to operate on an international basis.

The main lack in the U.K. range seems to be gas central heating, where Valor would have long term projected growth rates to back its visible entrepreneurial skills. Meanwhile, with at least double the first half profits forecast for the year, Valor can look forward to a major contribution in 1974-75 from the Newhome Veritas acquisition to back its hopes of useful further growth. The main quibble with the interim statement is that the deferred equity used as part consideration for Newhome is excluded from an earnings calculation which comes up with 12.03p a share for six months. Now £2.7m. for the full year, fully taxed and fully diluted, would come out to 13.7p net; and with a share price of 106p there seems no need to gild the lily.

Watergate tape is mainly a low-pitched hum

BY ADRIAN DICKS

WASHINGTON, Nov. 27.

THE first of President Nixon's secret Watergate tapes heard outside the White House was played in Judge John Sirica's court room this morning. It consisted mainly of a low-pitched humming noise in place of the President's conversation on June 20, 1972, with H. R. Haldeman.

Meanwhile, Congress took another step towards placing a constitutional safety net under Mr. Nixon when the Senate voted overwhelmingly this afternoon to confirm Mr. Gerald Ford as Vice President. The House of Representatives is expected to take similar action next week.

Little conclusive evidence about anything was audible on the tape played in court. Before the blank itself, the President and John Ehrlichman, his former adviser, could be heard talking informally against a good deal of background noise.

The tape recorder was turned down, and reporters could make out only a few stray words, oaths and a couple of clear phrases. President Nixon said at one point, "Say, I think I'll have a little of that consomme," and at another point, "I want Pat to . . ."

Then followed 18 minutes of assorted buzzing, humming and interference, sounding at times like a dentist's drill and at others like a badly tuned radio. The conversation resumed with Mr. Haldeman and the President making small talk — although again little was clearly audible.

The White House version of events is that Miss Rose Mary Woods, the President's personal secretary, accidentally erased the 18-minutes when she answered a telephone during the course of transcribing the tape at the beginning of last month.

She demonstrated some of this incident in Court but it appeared to most people present that to achieve what she says happened she would have had to reach for the telephone, a pencil and a writing pad with one hand, and take off her headphones and push down the "record" switch of the machine with the other hand. Then she would have had to take notes of what she says was a five-minute telephone call, and all the while keep her left foot on the pedal switch of the tape recorder.

There will be more examination of this rather far-fetched claim to-morrow, but Miss Woods is likely to prove unshakeable in her story.

Poor quality

Technically, the poor quality of the snatches of conversation audible over the interference, and the 18-minute gap itself, were a vindication of the White House position.

Miss Woods claims the gap was the result of her accidentally erasing a portion of the tape. She has also said in evidence that many of the taped conversations she transcribed were of very poor quality, suggesting they might not be much use to the prosecutors in preparing indictments against individuals.

The more ominous effect of to-day's hearing, despite its occasional moments of high comedy, was to reduce the White House version of events to a mask that now looks increasingly transparent.

Judge Sirica, who took possession of the tapes yesterday and has the unenviable task of listening to them, has been hearing evidence for the better part of a month. He has not pronounced on what he thinks of the White House claim that two of the subpoenaed conversations were never recorded (although President Nixon omitted to say so for five weeks). That another personal recollection dictated by the President disappeared, and that the 18-minute deletion occurred accidentally during the conversation with Mr. Haldeman, which the White House "did not think had been subpoenaed" in spite of the fact that it had been requested, will also have to be considered.

The hearings will go on and eventually Judge Sirica will have to rule on what evidence can go to the Grand Jury considering criminal indictments against a score of former White House staff members. There no longer seems much doubt that the American public has made up its mind already, and has reached a judgment increasingly unfavourable to the President.

Sterling recovers sharply after fall

By Anthony Harris

NERVOUS REACTION to the day's news, assisted by a mild official bear squeeze, produced an extraordinary day for sterling in currency markets yesterday.

The pound first fell some 120 points against the dollar, and still more sharply against European currencies. Subsequently it rose by more than twice this amount, to close at $2.3575.

The trade-weighted depreciation against Smithsonian parities closed at 17.72 per cent., an improvement of 0.24 per cent. on the day.

Gold, reflecting nervousness about all major currencies rose $2.25 on the day to $92½.

The pound was marked down 100 points before the opening, as dealers positioned themselves for the announcement of the U.S. and German trade figures, and this fall seems to have provoked the selling which at one point depressed the dollar rate to $3.3320.

Small scale

However, after Bank of England intervention, reported to be on a small scale, sterling had recovered 65 points of this fall before it was announced that the U.S. trade surplus for October was $527m. down from $873m. in September.

This was judged by the market to be disappointing, and the dollar fell sharply against sterling and all European currencies; high money market rates in Frankfurt helped the D-Mark.

The recovery was given further impetus by optimistic interpretation of Sheikh Yamani's reported remarks in Paris.

The market seems likely to remain nervous and volatile. At the end of the day some dealers were, as one put it, "a little bit appalled" by the scale of reaction to relatively insignificant news

Another remarked gloomily: "With so much uncertainty to digest in the last few weeks, I think the market has gone mildly mad."

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Compensation pledge to San Diego creditors

BY PAUL LEWIS, U.S. EDITOR

WASHINGTON, Nov. 27.

THE U.S. Federal Deposit Insurance Corporation (FDIC) publicly assured the National Westminster Bank and other European creditors of the failed U.S. National Bank of San Diego to-day, that it would be prepared to compensate them under certain circumstances for loans made to the bank.

In testimony before the House Banking and Currency Committee, Mr. Frank Willie, the FDIC chairman, tried to calm the growing dispute over the status of the loans. He assured creditors that money advanced to the failed bank on an inter-bank basis would be included in the rescue operation he has arranged with the Crocker Bank of California.

At the same time, he confirmed his agency has uncovered new evidence in California which tends to support the creditors' contention that the loans were erroneously booked by the Bank of San Diego as being to companies controlled by its principal shareholder, Mr. C. Arnholt Smith, and not direct to the bank.

Using court-ordered subpoenas, Mr. Willie revealed that his agency has discovered over 700 files in the private offices of Mr. Arnholt Smith and elsewhere relating to the $76m. which the bank borrowed from some 24 foreign banks before collapsing in October. Privately, senior officials of the agency say that these documents tend to support the creditors' point of view, at least to an extent.

Warning

Where their claims are substantiated by this and other evidence, Mr. Willie said to-day that the loans would be taken over by the Crocker Bank, which bought up the remnants of the San Diego Bank, against cash or other appropriate guarantees provided by the FDIC. In the meantime, he again urged foreign creditors to submit detailed accounts of their claims, pointing out that only eight have been received so far.

He also warned NatWest and the other European creditors that the FDIC intends to oppose vigorously the class action suit they have started in California, which seeks to overturn the whole rescue operation. However, he also promised "expeditious" processing of all evidence submitted to the FDIC by the foreign creditors that bore on the status of their loans to the Bank of San Diego.

As a result of the dispute over the San Diego Bank's foreign borrowing, the European creditors have warned the FDIC and other American regulatory authorities that the U.S. banking industry may face a crisis of confidence abroad that could impair its credit-worthiness. Many of the banks in Britian, West Germany and France which have lost money in the crash are already reviewing their lending to smaller American institutions.

Opposition anger growing over Donaldson defence of NIRC

BY RICHARD EVANS, LOBBY CORRESPONDENT

SIR JOHN DONALDSON'S defence of the National Industrial Relation Court's actions against the Amalgamated Union of Engineering Workers has increased the determination of many Labour MPs to seek his dismissal as President of the court.

The issue shows every sign of developing into a major political row following noisy scenes in the Commons yesterday. The Prime Minister was pressed to condemn Sir John's speech on Monday in which he answered allegations of political bias by his court.

Back-benchers, supported by Mr. Harold Wilson, the Opposition Leader, argued that it was wrong for a judge in Sir John's position to comment in public on the court's decisions. Mr. Heath insisted that as Prime Minister he could not be responsible "for the utterances of Her Majesty's judges either inside or outside the High Court." They must take responsibility for them.

Despite the growing anger of many Labour back-benchers, the issue could prove an embarrassing one for the Opposition after the controversial week-end speech by Mr. Wedgwood Benn. He called for unequivocal support for the AUEW in its running fight with the court, which has ordered the sequestration of £100,000 of the union's assets.

Policy

Mr. Wilson has opposed union policies which break the law and does not want to see the Labour Party committed to outright support of the AUEW in its trial of strength with the court. The "shadow" Cabinet together with Sir Elwyn Jones and other legal advisers meets to-day to thrash out its policy.

The pressure against Sir John is shown by the motion on the Commons Order Paper tabled by Mr Stanley Orme, a member of the AUEW. This urges the dismissal of Sir John because of his court's decision to sequestrate money from the union's political fund. It has been signed so far by 136 Labour MPs.

In retaliation more than 70 Conservatives have signed another motion emphasising that the judiciary should be independent of all political pressure. They point out that a High Court judge has no control over which resources are seized when a judgment is enforced.

The Commons row started when Mr. Orme asked Mr. Heath if he had envisaged that the President of the NIRC would make public statements on the judgments passed by his court. There were loud shouts of "Tory stooge" and "sack him" from the Labour benches.

Mr. Heath said his understanding was that Sir John had made a factual statement in order that there should be no misunderstanding about the consequences of the action that followed the court's judgment against the AUEW in its dispute with Con-Mech.

Mr. Wilson said it was a long-standing constitutional convention that Parliamentary proceedings could not be called into question in any court, so how could Sir John's speech be justified? Mr. Heath again insisted it was not a matter of Government responsibility.

Parliament Page 12

CBI, TUC in move to begin talks on worker participation

BY JOHN ELLIOTT, LABOUR EDITOR

CBI AND TUC leaders are about to initiate moves which could lead to a regular dialogue between their two organisations for the first time in nearly four years.

They are to meet soon to discuss their alternative proposals for the extension of worker participation in British industry at a time when the Government is expected soon to finalise its own proposals.

CBI leaders, concerned at the lack of regular and formal contact with the TUC, hope that talks on this subject could be enlarged later into regular talks on a wide range of subjects. Similar moves early last year on the CBI-TUC conciliation and arbitration service led into the pre-wage freeze tripartite talks at which point the CBI-TUC regular meetings stopped.

Mr. Campbell Adamson, CBI director general, formally invited the TUC to talks when he spoke at a conference on worker participation held in London yesterday by the Financial Times

He said that of all areas needing to be discussed by the CBI and TUC, participation was the most urgent for agreement between both sides of industry. "I hope there can be early discussions between the CBI and TUC," he declared.

Mr. Len Murray TUC general secretary, following Mr. Adamson, opened his speech by replying: "I most willingly accept his (Mr. Adamson's) invitation to talk about this affair—maybe even to bargain about it."

At present the CBI and TUC have widely differing views on the subject. The TUC wants union representatives to make up half a company's Board of directors but is opposed to works councils. The CBI is in favour of works councils embracing both union members and non-unionists but does not want worker directors.

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Oil embargo hopes

lems involved in the oil situation, Sheikh Yamani warned that the Arabs still expected "concrete action, not just political declarations to pressure Israel back to the 1967 border and restore the Palestinian rights."

"We sincerely hope that Europe will not be hurt by the Arab oil production cuts. If there is any inconveniences for the time being, let us hope that it will not go deeper.

"We are ready to help Europe and the whole world with our oil When this political obstacle is removed, we will do our best to help you and hope the future will bring a better relationship between us."

While reaffirming Saudi Arabia's intention to limit oil production to meet its own revenue needs, he suggested that "a direct contact of some kind should be initiated between the major oil producing and consuming countries to solve some of the existing problems of prices and the industrialisation of the Arab countries."

He further emphasised again that Saudi Arabia would not nationalise the U.S. oil companies operating on its soil.

Sheikh Yamani, in company with the Algerian Minister, Belaid Abdessalem, are currently on a two-week tour of European capitals to explain the Arab view. They are expected in London to-morrow.

Their visit comes at a time when the producers have shown some degree of willingness to relax at least the progressive tigetening of the oil squeeze on the EEC, which has been exempted from the next two cuts of 5 per cent. per month in December and January.

Whether they are willing to ease the current restrictions and curtail future cuts altogether remains very uncertain, however.

CEGB to buy coal from U.S. and Poland

By Christopher Lorenz

THE CENTRAL Electricity Generating Board is about to start importing coal again after a break of more than six months. It is making arrangements to bring in about a million tons during the winter from the U.S. and Poland.

The first deliveries, which will come from the U.S., will total about 20,000 tons and should be landed early next month. Some of the supplies may have to be trans-shipped on to lighters in Rotterdam or Amsterdam on their way to power stations on the Thames and the South Coast.

The CEGB last arranged to import coal during the 1972 miners' strike, after first persuading the Government to allow coal imports three years ago. Between 1970 and last April the Board took delivery of just over 6m. tons from abroad.

The fact that the additional 1m. tons will have little material effect on the CEGB overall supply situation—it plans to burn about 42m. tons of coal during the winter—suggests that the Board may try to secure further foreign supplies in the next few months.

The decision to import is bound to be seen in the context of the miners' overtime ban, which is reducing CEGB weekly coal supplies by over 25 per cent and running down stocks at an abnormally rapid rate.

The move could have proved necessary even if the miners had continued their normal overtime pattern, since rising oil prices and the tightness of supplies from the Middle East have forced the Board to cut back its oil requirements in favour of coal.

Following the CEGB decision to burn 20 per cent. less oil this winter than last year, it has had to increase its coal requirements. Before the miners' ban started it had planned to burn 70m.-73m. tons of coal in its current financial year, compared with 58m. tons last year, and the 1973-74 forecast of 67m.-69m. tons, which it made only six weeks ago.

Since the National Coal Board would have been unable to supply much more than 67m. tons even in normal circumstances, the CEGB had to look for extra sources of supply to avert a complete run-down of coal stocks by the end of the winter.

Weather

U.K. TO-DAY

SLEET or snow in Scotland, lands and the North. Dry, cold in the East, cloudy, rain in Wales, N. Ireland, the South-West.

London, S.E. England
Cloudy, mainly dry. Frost first. Wind W., light or moderate. Max. 5C (41F).

Midlands, Cent., S., N.W. and Cent. N. England
Cloudy, outbreaks of sleet, snow. Wind W. or S., light, moderate. Max. 4C (39F).

Channel Is.
Bright, rain or drizzle. Wind W. to S., light or moderate. Max. 7C (45F).

S.W. England, Wales
Cloudy, occasional rain, or snow on hills. Wind moderate. Max. 8C (46F).

Is. of Man, N. Ireland
Occasional rain, sleet or on hills. Wind W., moderate, fresh. Max. 8C (46F).

Lakes, N. E. England, Borders, Edinburgh, Aberdeen, Glasgow, Cent. Highlands, Moray, Argyll, E., S.W. and N.W. land
Sleet or snow at first, clear. Frost at night. Wind S.W. variable, moderate or fresh. 2C (36F).

Caithness, Orkney, Shetland
Mainly dry, frost at night. Wind S., moderate. Max. (34F).

Outlook: Sunny periods,
Lighting-up: London Manchester 16.27, Glasgow Belfast 16.36.

BUSINESS CENTRES

	Y'day mid-day	°C	°F		Y'day mid-day	°C	°F
Alexandria	F	22	72	Madrid	[illegible]	[illegible]	[illegible]
Amstrdm.	C	4	39	Manchstr.	[illegible]	[illegible]	[illegible]
Athens	C	20	68	Melbourne	[illegible]	[illegible]	[illegible]
Bahrain	S	21	69	Mexico C.	[illegible]	[illegible]	[illegible]
Belfast	R	2	36	Milan	[illegible]	[illegible]	[illegible]
Belgrade	S	1	34	Montreal	[illegible]	[illegible]	[illegible]
Berlin	Sn	0	32	Moscow	[illegible]	[illegible]	[illegible]
Birmghm.	S	2	36	Munich	[illegible]	[illegible]	[illegible]
Bristol	S	5	41	Newcastle	[illegible]	[illegible]	[illegible]
Brussels	Sn	0	32	New York	[illegible]	[illegible]	[illegible]
Budapest	F	2	36	Oslo	[illegible]	[illegible]	[illegible]
B. Aires	S	21	70	Paris	[illegible]	[illegible]	[illegible]
Cairo	S	20	68	Perth	[illegible]	[illegible]	[illegible]
Cardiff	S	5	41	Prague	[illegible]	[illegible]	[illegible]
Cologne	C	1	34	Reykjavik	[illegible]	[illegible]	[illegible]
Copnhagn.	F	−1	30	Rio de J'o	[illegible]	[illegible]	[illegible]
Dublin	R	3	37	Rome	[illegible]	[illegible]	[illegible]
Edinb'rgh	C	1	34	Singapore	[illegible]	[illegible]	[illegible]
Frankfurt	F	1	34	Stockholm	[illegible]	[illegible]	[illegible]
Geneva	S	0	32	Strasbourg	[illegible]	[illegible]	[illegible]
Glasgow	F	2	36	Sydney	[illegible]	[illegible]	[illegible]
Helsinki	C	−5	23	Tehran	[illegible]	[illegible]	[illegible]
H. Kong	C	19	66	Tokyo	[illegible]	[illegible]	[illegible]
Jo'burg	S	24	75	Toronto	[illegible]	[illegible]	[illegible]
Lisbon	S	15	59	Vienna	[illegible]	[illegible]	[illegible]
London	S	4	39	Warsaw	[illegible]	[illegible]	[illegible]
Luxembrg.	C	−3	27	Zurich	[illegible]	[illegible]	[illegible]

HOLIDAY RESORTS

	Y'day Mid-day	°C	°F		Y'day Mid-day	°C	°F
Ajaccio	C	13	55	Jersey	[illegible]	[illegible]	[illegible]
Algiers	F	15	59	Las Plms.	[illegible]	[illegible]	[illegible]
Barcelona	C	9	48	Locarno	[illegible]	[illegible]	[illegible]
Biarritz	F	5	41	Luxor	[illegible]	[illegible]	[illegible]
Blackpool	F	4	39	Majorca	[illegible]	[illegible]	[illegible]
Bordeaux	S	5	41	Malaga	[illegible]	[illegible]	[illegible]
Boulogne	S	2	36	Malta	[illegible]	[illegible]	[illegible]
Casablnca.	F	19	66	Nairobi	[illegible]	[illegible]	[illegible]
Cape Tn.	R	17	62	Naples	[illegible]	[illegible]	[illegible]
Corfu	S	17	63	Nassau	[illegible]	[illegible]	[illegible]
Dubrovnik	S	9	48	Nice	[illegible]	[illegible]	[illegible]
Faro	S	20	68	Nicosia	[illegible]	[illegible]	[illegible]
Florence	S	9	48	Oporto	[illegible]	[illegible]	[illegible]
Funchal	C	18	64	Rhodes	[illegible]	[illegible]	[illegible]
Gibraltar	F	18	64	Salzburg	[illegible]	[illegible]	[illegible]
Guernsey	F	6	43	Tangier	[illegible]	[illegible]	[illegible]
Innsbruck	C	−1	30	Tenerife	[illegible]	[illegible]	[illegible]
Inverness	S	2	36	Valencia	[illegible]	[illegible]	[illegible]
I. of Man	Sn	3	37	Venice	[illegible]	[illegible]	[illegible]
Istanbul	C	10	50				

S—Sunny. F—Fair. C—Cloudy. R—Rain. H—Hazy. Sn—Snow.

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